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THE COMPANIES ACT 1985

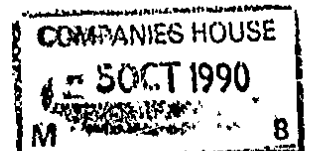
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

KITEVALE LIMITED

1. The Company's name is "KITEVALE LIMITED".
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:
 - (A) (i) To carry on the business of restaurateur, proprietors of take-away food shops, fishmongers, oyster merchants, poulterers, game dealers, purveyors of provisions of all kinds, butchers, sausage manufacturers, greengrocers, dairymen, fruiterers, grocers and provision merchants, packers of tinned, frozen or curried fish and meat, and to buy, sell or trade by wholesale or retail in any such goods and any goods of a like character.
 - (ii) To carry on the business of fish curers, shipper and salesmen, auctioneers, importers, and exporters of fish, meat and game.



(iii) To establish and carry on shops, stores, agents or depots, both wholesale and retail, to deal in such produce and goods and to act as agents for the sale of same and to carry on the business of general dealers and manufacturers of goods and commodities of all kinds and whether wholesale or retail and generally the business of universal providers.

(B) To carry on the following businesses, namely, contractors, garage proprietors, filling station proprietors, owners and charterers of road vehicles, aircraft and ships and boats of every description, lightermen and carriers of goods and passengers by road, rail, water or air, forwarding, transport and commission agents, customs agents, stevedores, wharfingers, cargo superintendents, packers, warehouse storekeepers, cold store keepers, hotel proprietors, caterers, publicans, consultants, advisers, financiers, bankers, advertising agents, insurance brokers, travel agents, ticket agents and agency business of all kinds and generally to provide entertainment for and render services of all kinds to others and to carry on any other trade or business whatsoever which can in the opinion of the Directors be advantageously carried on by the Company in connection with or as auxiliary to the general business of the Company or any other trade or business whatsoever which can in the opinion of the Directors be advantageously carried on by the Company

in connection with or as auxiliary to the general business of the Company.

- (C) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire, and generally deal in all kinds of plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any of the businesses specified herein, or which are likely to be required by customers or other persons having, or about to have, dealings with the Company.
- (D) To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, shops, factories, offices, works, machinery, engines and to clear sites for the same or to join with any person, firm or company in doing any of the things aforesaid and to work, manage and control the same or join with others in so doing.
- (E) To enter into contracts, agreements and arrangements with any other company for the carrying out by such other company on behalf of the Company of any of the objects for which the Company is formed.
- (F) To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person or company carrying on any business which may in the opinion of the Directors be capable of being conveniently carried on or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights,

or any property suitable for the purposes of the Company.

- (G) To enter into any arrangements with any government or authority national, international, supreme, municipal, local or otherwise, that may in the opinion of the directors be conducive to the Company's objects or any of them, and to obtain from any such government or authority any rights, privileges, and concessions which in the opinion of the directors is desirable, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (H) To apply for, or join in applying for, purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, registered designs, protections, concessions and the like, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting and testing and making researches, and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (I) To acquire an interest in, amalgamate with or enter into partnership or into any arrangement for the sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise

with any company, or with any employees of the Company.

And to lend money to, guarantee the contracts of, or otherwise assist any such company, and to take or otherwise acquire shares or securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.

(J) To lend money to, to subsidise and assist any persons or companies and to act as agents for the collection, receipt or payment of money and generally to act as agents or brokers for and render services to any company, and to undertake and perform sub-contracts.

(K) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee or otherwise provide security for, with or without the Company receiving any consideration therefor or advantage therefrom, directly or indirectly, by personal covenant or by mortgage, charge or lien over all or any part of the undertaking, property and assets present and future and uncalled capital of the Company or by any other means whatsoever, the performance of the obligations and the payment of any moneys (including but not limited to capital or principal, premiums, dividends or interest, commissions, charges, discount and any costs or expenses relating thereto whether on any stocks, shares or securities or in any other manner whatsoever) by any company, firm or person including

but not limited to any company which is for the time being the Company's holding company or a subsidiary of the Company each as defined by Section 736 of the Companies Act 1985 or of the Company's holding company as so defined or any company, firm or person who is for the time being a member or otherwise has any interest in the Company or is associated with the Company in any business or venture, or any other person firm or company whatsoever. For the purposes of this paragraph (K) guarantee shall be construed so as to include any other obligation howsoever described to pay, satisfy, provide funds (whether by advance of money the purchase of or the subscription of shares or other securities, the purchase of assets or services, or otherwise) for the payment or satisfaction of, or to indemnify against the consequences of default in the payment of or otherwise be responsible for any indebtedness of any other company firm or person.

(L) To promote, finance or assist any company for the purpose of acquiring all or any of the property, rights or undertaking or assuming the liabilities of the Company, or for any other purpose which may be in the opinion of the directors directly or indirectly calculated to benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of such company as aforesaid.

(M) To pay out of the funds of the Company all or any

expenses which the Company may lawfully pay of or incidental to the formation, registration, promotion and advertising of or raising money for the Company, and the issue of its capital including those incurred in connection with the advertising or offering the same for sale or subscription, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares or other securities.

- (N) To remunerate any person, firm or company rendering service to the Company whether by cash payment or by the allotment to him or them of shares or securities of the Company credited as fully paid up in full or in part or otherwise.
- (O) Generally to purchase, take on lease or exchange, hire, or otherwise acquire any real or personal property and any rights or privileges over or in respect thereof.
- (P) To receive money on deposit upon such terms as the Directors of the Company may approve.
- (Q) To invest and deal with the moneys of the Company in such manner as may from time to time be determined by the Directors.
- (R) To lend money or give credit with or without security, but not to carry on the business of a registered money lender.
- (S) To borrow or raise or secure the payment of money in such manner as the Directors shall approve and in particular by the issue of debentures or debenture

stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future), including its uncalled capital, and to purchase, redeem or pay off any such securities.

(T) To remunerate any company for services rendered or to be rendered, in placing, or assisting to place, or guaranteeing the placing or procuring the underwriting of any of the shares or debentures, or other securities of the Company or of any company in which this Company may be interested or propose to be interested, or in or about the conduct of the business of the Company, whether by cash payment or by the allotment of shares, or securities of the Company credited as paid up in full or in part, or otherwise.

(U) To subscribe for either absolutely or conditionally or otherwise acquire and hold shares, stocks, debentures, debenture stock or other obligations of any other company and to co-ordinate, finance and manage the business and operation of any company in which the Company holds any such interest.

(V) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.

(W) To sell, lease, exchange, let on hire, or dispose of any real or personal property or the undertaking of the Company, or any part or parts thereof, for such consideration as the Directors shall approve, and, in

particular, for shares whether fully or partly paid up, debentures or securities of any other company, whether or not having objects altogether, or in part, similar to those of the Company, and to hold and retain any shares, debentures or securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over or turn to account or otherwise deal with all or any part of the property or rights of the Company.

(X) To adopt such means of making known the businesses and products of the Company as may in the opinion of the Directors seem expedient, and in particular by advertising in the Press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.

(Y) To support, subscribe or contribute to any charitable or public object or any institution, society or club which may be for the benefit of the Company or its Directors, officers or employees, or the Directors, officers and employees of its predecessors in business or of any subsidiary, allied or associated company, or which may be connected with any town or place where the Company carries on business and to subsidise or assist any association of employers or employees or any trade association. To grant pensions, gratuities, annuities or charitable aid and generally to provide advantages, facilities and services to any person (including any Directors or

former Directors) who may have served the Company or its predecessors in business or any subsidiary, allied or associated company or to the wives, children or other dependants or relatives of such persons, to make advance provision for the payment of such pensions, gratuities or annuities as aforesaid by establishing or acceding to such trusts schemes or arrangements (whether or not capable of approval by the Commissioners of Inland Revenue under any relevant legislation for the time being in force) as may seem expedient, to appoint trustees or to act as trustee of any such schemes or arrangements, and to make payments towards insurance for the benefit of such persons or to their wives, children, or other dependants or relatives.

(Z) To establish and contribute to any scheme for the purchase or subscription by trustees of shares in the Company to be held for the benefit of the employees of the Company or any subsidiary, allied or associated company, and to lend money to such employees or to trustees on their behalf to enable them to purchase or subscribe for shares in the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees or any of them.

(AA) To apply for, promote and obtain any Act of Parliament, order or licence of the Department of Trade and Industry or other authority for enabling the Company to carry any of its objects into effect

or for effecting any modifications of the Company's constitution or for any other purposes which may in the opinion of the directors seem expedient, and to oppose any proceedings or applications which may in the opinion of the Directors seem calculated directly or indirectly to prejudice the Company's interests.

(BB) To establish, grant and take up agencies in any part of the world, and to do all such other things as the Company may deem conducive to the carrying on of the Company's business, either as principals, or agents, and to remunerate any persons in connection with the establishment or granting of such agencies upon such terms and conditions as the Company may think fit.

(CC) To distribute among the shareholders in specie any of the property of the Company or any proceeds of sale or disposal of any property of the Company and for such purpose to distinguish and separate capital from profits but so that no distribution amounting to a reduction of capital shall be made except with the sanction (if any) for the time being required by law.

(DD) To amalgamate with any other company.

(EE) Subject to and in accordance with due compliance with the provisions of sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in section 152(1)(a) of the Act) for any such purpose as is specified in section 151(1) and/or section 151(2) of the Act.

(FF) To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, subcontractors or otherwise, and either alone or in conjunction with others and to procure the Company to be registered or recognised in any foreign country or place.

(GG) To do all such other things as are in the opinion of the Directors incidental or conducive to the attainment of the above objects, or any of them.

The objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be regarded as independent objects, and shall not be limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of the paragraphs of this clause or the objects or powers therein specified or conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other paragraph, but the Company shall have as full as power to exercise all or any of the objects and powers provided in each paragraph as if each paragraph contained the objects of a separate company. The word "company" in this Clause (except where used in reference to the Company) shall be deemed to include any person or partnership or other body of persons whether domiciled in the United Kingdom or elsewhere and whether incorporated or unincorporated, and words denoting the singular number only shall

include the plural number and vice versa. The expression "the Act" in this Clause means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any modification or re-enactment of that provision for the time being in force.

4. The liability of the Members is limited.
5. The Company's Share Capital is £100 divided into 100 shares of £1 each.

WE, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares in the capital of the Company shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS

Number of
Shares
taken by each
Subscriber

VANESSA DIXON
For and on behalf of
Legibus Secretaries Limited
Royex House
Aldermanbury Square
London EC2V 7LD

ONE

CHRISTINE ANNE LEE
For and on behalf of
Legibus Nominees Limited
Royex House
Aldermanbury Square
London EC2V 7LD

ONE

DATED the 5th day of July 1990

WITNESS to all the above Signatures:-

DENISE WARD
Royex House
Aldermanbury Square
London EC2V 7LD

2522705

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

KITEVALE LIMITED

(Adopted by Special Resolution passed on 20th September 1990)

1. PRELIMINARY

The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985) as in force at the date of the adoption of these Articles shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to regulations are to regulations in the said Table A.

2 PRIVATE COMPANY

The Company is a private company and accordingly the Company shall not:

2.1 offer to the public (whether for cash or otherwise) any shares in or debentures of the Company; or

2.2 allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. INTERPRETATION

3.1 In the first line of regulation 1 after the word "regulations" the words "and in any articles adopting in whole or in part the same" shall be inserted.

3.2 In these Articles:

3.2.1 unless the context otherwise requires the following expressions shall have the following meanings:

"Controlling Interest" means shares conferring in the aggregate over 50% of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to vote at General Meetings of the Company on all, or substantially all, matters and shall include shares held by all persons who in relation to each other are "Connected Persons" within the meaning of Section 839 of the Income and Corporation Taxes Act 1988 (Provided that parties to the Shareholder's Agreement shall be deemed not to be connected with each other by virtue of Section 839(7) of the said act in relation to their joint control of the company) or "persons acting in concert" within the meaning of the City Code on Takeovers and Mergers.

"deemed transfer notice" means a transfer notice deemed to be given under any provision of these Articles;

"Major Shareholder" means a Shareholder Block whose Shareholder Equity Percentage is greater than 25 PROVIDED THAT

where a Shareholder Block which is a Major Shareholder contains only one Shareholder that Shareholder shall be deemed the Major Shareholder and where a Shareholder Block which is a Major Shareholder has two or more Shareholders the Shareholder holding the greatest number of Ordinary Shares shall be deemed the Major Shareholder and where a Shareholder Block which is a Major Shareholder contains more than one Shareholder none of which has a greater number of Ordinary Shares than the others the Shareholder to be deemed the Major Shareholder shall be such Shareholder in that Shareholder Block as is agreed by all the Shareholders of that Shareholder Block and in default of agreement by all the Shareholders in that Shareholder Block the Company shall elect between such Shareholders

"Nominated Director" means in relation to a Major Shareholder any director for the time being appointed by such Major Shareholder and holding office pursuant to Article 18;

"Permitted Transferee" means in relation to a Shareholder any person to whom that Shareholder is permitted to transfer Shares pursuant to Article 11 of the Articles;

"paid up" means, in relation to a share, that such share is paid up or credited as paid up;

"Ordinary Shares" means ordinary shares in the Company; and

"Shareholder Agreement" means the Subscription and Shareholders Agreement dated 20th September 1990 relating to (inter alia) the subscription for Ordinary Shares in the Company and made between the Company (1) All Age Lesure Limited (2) Jeffrey Mallinson (3) Graham Parr (4) Harry Ramsden's Plc (5) and Harry Ramsden's (Restaurant) Limited (6)

"share" means a share in the capital of the Company of whatever class; and

"Shareholder Equity Percentage" in relation to a Shareholders Block means the proportion that the total number of issued Ordinary Shares held by the members of that Shareholder Block bears to the aggregate number of issued Ordinary Shares, expressed as a percentage;

"transfer notice" has the meaning attributed thereto in Article 12.1.

"Shareholder" means a holder of shares in the Company

"a Shareholder Block" means a person who is a Shareholder immediately after Completion and all his Permitted Transferees whether or not all or any of such Permitted Transferees are Shareholders and Provided always that a Shareholder shall only be a member of one Shareholder Block

3.2.2 words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the same meaning in these Articles but excluding any statutory modification thereof not in force on the date of adoption of these Articles;

3.2.3 words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa, and words importing persons shall include companies, bodies corporate, unincorporated associations and partnerships;

3.2.4 references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the

Article or references to sub-paragraphs of the paragraph in which the reference appears;

3.3 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of the regulations or these Articles.

4. SHARE CAPITAL

The authorised share capital of the Company at the date of adoption of these Articles is £530,000 divided into 530,000 Ordinary Shares of £1 each.

5. SHARE RIGHTS

5.1 The Ordinary Shares shall rank pari passu in all respects

5.2 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative not being himself a member entitled to vote shall have one vote and on a poll every member shall have one vote for every share of which he is the holder

6. ISSUE OF NEW SHARES

6.1 Subject to the provisions of these Articles the Act and the authority of the Company in General Meeting required by the Act, the Directors shall have unconditional authority to allot, grant options over, alter or otherwise deal with or dispose of any shares of the Company to such persons at such

time and generally on such terms and conditions as the Directors may determine.

6.1.1 Any relevant securities of the Company from time to time to be created ("the New Shares") shall be offered in the first instance to the members in proportion to the existing number of shares held by them. Such offer shall be made by notice in writing specifying the number of the New Shares to which the member is entitled and the price at which the same are to be allotted and issued and limiting a time (not being less than thirty days) within which the offer, if not accepted will be deemed to be declined.

6.1.2 Any holder of shares desiring to subscribe for a number of the New Shares in excess of his proportionate entitlement may on accepting the offer state how many of the New Shares in excess of his proportionate entitlement he desires to subscribe for and if all the holders of shares do not claim their proportionate entitlement of the New Shares pursuant to paragraph 6.1.1 then the unclaimed New Shares shall be apportioned and allotted and issued to the holders of shares desiring to subscribe for the excess thereof in proportion to their existing holdings of shares.

6.1.3 Any of the New Shares not subscribed for pursuant to paragraphs 6.1.1 and 6.1.2 of this Article may, subject to these Articles, be disposed of by the Directors in such manner as they think most beneficial to the Company on terms no less favourable to the Company than those offered to the members provided always that no New Shares shall be offered, allotted

or issued to any person who does not already hold shares if a person who holds shares is willing to accept any New Shares.

6.1.4 Any offer made or to be made to a member pursuant to this Article 6.1 shall be made to such member either personally or by sending it by post (that is to say prepaying and posting a letter containing the offer) to him at his registered address or if he has no registered address in the United Kingdom, to the address in the United Kingdom supplied by him to the Company for the giving of notice to him. If sent by post the offer is deemed to be made at the time at which the letter would be delivered in the ordinary course of post. Where shares are held by two or more persons jointly, the offer may be made to the joint holder first named in the register of members in respect of the shares.

6.2. Notwithstanding any provision to the contrary in these Articles no share may be issued or allotted at any time by the Company to any person who is not already a Shareholder of the Company unless the allottee or the person to whom shares are to be issued enters into an appropriate Deed of Adherence (as defined in the Shareholders Agreement) and the Directors shall not register any allotment or issue of shares unless the allottee or the person to whom shares are to be issued has entered into an appropriate Deed of Adherence (as defined in the Shareholders Agreement).

6.3 Save with the prior written consent of all the members no shares shall be allotted on terms that the right to take up the shares allotted may be renounced in favour of, or assigned to another, and no person entitled to the allotment

of a share may direct that such share be allotted or issued to any other person.

6.4 Section 89(1) and sub-sections (1) to (6) of Section 90 of the Act shall not apply to the Company.

7. VARIATION OF CLASS RIGHTS

Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of that class of shares but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or the proceedings thereat shall mutatis mutandis apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class, that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them respectively and that any holder of shares of the class present in person or by proxy may demand a poll.

8. LIEN

The lien conferred by regulation 8 shall attach also to fully paid up shares for all monies (whether presently payable or not) payable at a fixed time or called in respect of that share. The Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered

in the name of any person for all monies presently payable by him or his estate to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders. Regulation 8 shall be modified accordingly.

9. CALLS

The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of the words "and all expenses that have been incurred by the Company by reason of non-payment of the call by that person".

10. TRANSFER OF SHARES

10.1.1 The directors shall refuse to register the transfer of any share unless such transfer is permitted by, or is made pursuant to and in accordance with Article 11 or Article 12. The directors shall also refuse to register the transfer of any share which is prohibited under Article 13.

10.1.2 Notwithstanding any provision to the contrary in these Articles, no share may be transferred at any time by a Shareholder to any person who is not already a Shareholder unless the transferee enters into an appropriate Deed of Adherence (as defined in the Shareholders Agreement) and the Directors shall not register any transfer of any share unless the transferee has entered into an appropriate Deed of Adherence (as defined in the Shareholders Agreement).

10.2 Subject to paragraphs 10.3 and 10.7, the directors shall not be entitled to decline to register the transfer of any share which is permitted by, or is made pursuant to and in accordance with Article 11 or Article 12.

10.3 For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles the directors may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the directors may think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.

10.4 If a member or other person entitled to transfer a share at any time attempts or purports to deal with or dispose of the share or any interest therein otherwise than in accordance with the provisions of Article 11 or Article 12 or in contravention of Article 13, he shall be deemed immediately prior to such attempted or purported transfer to have given a transfer notice in respect of such share.

10.5 Where a transfer notice in respect of any share is deemed to have been given under any provision of these Articles but the circumstances are such that the directors are unaware of the facts giving rise to the same the seven day period within which the directors are obliged to serve on the members the notice referred to in Article 12.3 shall only commence on the date on which the directors receive actual notice of such facts and the provisions of Article 12 shall apply accordingly.

10.6 A deemed transfer notice shall be deemed not to contain a Total Transfer Condition (as defined in Article 12)

and shall not be revocable unless all directors resolve that it shall be so revocable and give notice in writing of such resolution to all Shareholders.

10.7 The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted under these Articles if it is a transfer:

10.7.1 of a share on which the Company has a lien; or

10.7.2 of a share (not being a fully paid share) to a person of whom they shall not approve

and the first sentence of Regulation 24 shall not apply provided always that this Article 10.7 or regulation 24 shall not apply to any transfer of shares permitted by Article 11.

10.8 Notwithstanding anything in these Articles the Directors shall refuse to register the transfer of any Ordinary Shares and the holder of any Ordinary Shares shall not transfer or dispose of any interest in such Ordinary Shares prior to the expiry of 5 years from the date of the Special Resolution adopting these Articles;

10.9 If any member wishes to offer for sale or to transfer or sell, whether under Article 12 or otherwise, any share which he holds he will (unless the shares are to be transferred pursuant to Article 11 or Article 12.14.2) offer for sale, transfer or sell all, and not some, of the shares held and/or beneficially owned by him

11. PERMITTED TRANSFERS

11.1 Subject always to Articles 10, 12.18 and 13:

11.1.1 Any member being a body corporate may at any time transfer all or any shares held by it to a member of the same group as it PROVIDED ALWAYS THAT any transferee gives an undertaking to the Company that in the event of it ceasing to be a member of the same group as the original Shareholder then immediately on so ceasing any shares then held by it shall be transferred by it to another body corporate(s) which is then a member of the same group as the original Shareholder and Provided always that failure by any transferee to comply with any such undertaking shall result in a transfer notice being deemed to have been given by such transferee in respect of all shares held by it at the time of such failure.

11.1.2 For the purposes of this paragraph 11.1:

11.1.2.1 the expression "a member of the same group" means in relation to body corporates a body corporate any company of which that body corporate is a wholly-owned subsidiary a wholly-owned subsidiary of that body corporate or of a company of which that body corporate is a wholly-owned subsidiary.

11.2 Any member being a body corporate may at any time transfer all but not some only of the shares held by it to another body corporate which has acquired in connection with a bona fide scheme of arrangement or reconstruction the whole or the main part of the undertaking or assets of such member.

11.3.1 All Age Leisure Limited ("AAL") and any other person referred to in this paragraph 11.3.1 may at any time transfer all or any shares held by it to the following persons:

11.3.1.1 Jeffrey Mallinson ("JM");

11.3.1.2 the trustees of any Family Trust of JM;

11.3.1.3 AAL or any other Controlled Company of JM;

11.3.1.4 Any body corporate to which AAL or any other Controlled Company of JM could transfer shares in accordance with paragraph 11.1 or 11.2 above.

For the avoidance of doubt, the trustees of any Family Trust of JM may at any time transfer all or any shares held by them to the new trustees or the continuing trustees of the same Family Trust or any beneficiary of such a Family Trust;

Provided always that any transferee gives an undertaking to the Company that in the event of it ceasing to be a Permitted Transferee of the original shareholder then on so ceasing it will transfer to another Permitted Transferee(s) of such original shareholder any shares then held by it and Provided always that failure by any transferee to comply with any such undertaking shall result in a transfer notice being deemed to have been given by such transferee in respect of all shares held by it at the time of such failure.

11.3.2 Graham Parr ("GP") and any other person referred to in this paragraph 11.3.2 may at any time transfer all or any shares held by it to the following persons:

11.3.2.1 GP;

11.3.2.2 the trustees of any Family Trust of GP;

11.3.2.3 any Controlled Company of GP;

11.3.2.4 Any body corporate to which any Controlled Company of GP could transfer shares in accordance with paragraph 11.1 or 11.2 above.

For the avoidance of doubt, the trustees of any Family Trust of JM may at any time transfer all or any shares held by them

to the new trustees or the continuing trustees of the same Family Trust or any beneficiary of such a Family Trust;

Provided always that any transferee gives an undertaking to the Company that in the event of it ceasing to be a Permitted Transferee of the original shareholder then on so ceasing it will transfer to another Permitted Transferee(s) of such original shareholder any shares then held by it and Provided always that failure by any transferee to comply with any such undertaking shall result in a transfer notice being deemed to have been given by such transferee in respect of all shares by it at the time of such failure.

11.3.3 For the purposes of this Paragraph 11.3 the following expressions shall have the following meanings:

"Controlled Company" in relation to a person means any company which that person controls and a person shall be taken to control a company if, and for so long as, he:-

(a) beneficially owns more than 50 per cent of the issued shares of that company conferring on the holders thereof the right to receive notice of and attend and vote at general meetings of that company on all, or substantially all, matters; and

(b) beneficially owns more than 50 per cent of all the issued shares of that company conferring on the holder thereof the right to receive all, or substantially all, dividends and other distributions payable by that company and to receive the surplus (after payment of the nominal value of all the issued shares in that Company) payable to the members on the winding up of that Company; and

(c) has the right to appoint and remove (without the consent or concurrence of any other person) a majority of the directors of that company holding a majority of the voting rights at meetings of the directors of that company;

and any company which any person shall so control shall be a "Controlled Company" of that person;

"Family Trust" in relation to a person means a family settlement set up wholly for the benefit of such person and/or the spouse (or widow/widower) or children or grandchildren (including step and adopted children and grandchildren) of such person and of which such person is settlor.

11.4 A transfer of any share pursuant to this Article shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such share free from all liens, charges and other encumbrances.

12. PRE-EMPTION RIGHTS

12.1 Except as provided in Article 11 or elsewhere in these Articles before transferring or agreeing to transfer any shares or any interest therein (including for this purpose the assignment of the beneficial interest in such shares or the renunciation or assignment of any right to receive or subscribe for any such shares) the person proposing to transfer the same (hereinafter called the "proposing transferor") shall be obliged to give notice in writing (hereinafter called the "transfer notice") to the Company that he desires to transfer such shares. In the transfer notice the proposing transferor shall specify:

12.1.1 the number and class of shares which the proposing transferor wishes to transfer ("the Transfer Shares") (which shall be all and not part only of the shares then held by the proposing transferor);

12.1.2 whether or not the proposing transferor has received an offer from a third party for the Transfer Shares and if so the identity of such third party and the price offered for the Transfer Shares.

A transfer notice shall also state whether the proposing transferor wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold), but in the absence of such a statement the transfer notice shall be deemed not to contain a Total Transfer Condition. The transfer notice shall constitute the Company as agent of the proposing transferor for the sale of the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) in accordance with the terms of this Article. Save as expressly provided otherwise in these Articles a transfer notice shall be revocable at any time until the expiration of the withdrawal Period (as hereinafter defined). If a proposing transferor revokes a transfer notice he may not subsequently transfer the shares the subject of the transfer notice (or any interest therein) otherwise than in accordance with these Articles.

12.2 Where a transfer notice is given in respect of more than one class of share it shall be deemed for the purposes of this Article to comprise a number of separate transfer notices, one in respect of each class.

12.3 Within seven days after the receipt of any transfer notice the Company shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall within seven days of such transfer notice being deemed to have been given serve notice on all the members (including the proposing transferor) notifying them that the same has been deemed to have been given. The date on which a transfer notice is received by the Company or, in the case of a deemed transfer notice, the date on which it is deemed to have been given is the transfer notice date (hereinafter called the "Transfer Notice Date").

12.4 Subject as provided otherwise in these Articles the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ("the Transfer Price" which expression, where used in respect of more than one Transfer Share, shall mean the price per Transfer Share multiplied by the number of Transfer Shares in question) determined in accordance with paragraph 12.5.

12.5 The Transfer Price shall be such price per Transfer Share as shall have been agreed in writing between the proposing transferor and each of the directors as representing the market value thereof or as being acceptable to the proposing transferor and not more than the market value

(subject to the deduction therefrom of any net dividend or other distribution declared or made after the Transfer Notice Date) or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 30 days of the Transfer Notice Date the Transfer Price will be the open market value of the Transfer Shares as determined by an independent Chartered Accountant of not less than five years' standing ("the Expert") who shall be nominated by unanimous agreement of all the directors or failing such nomination within 44 days after the Transfer Notice Date the directors shall request the President for the time being of the Institute of Chartered Accountants in England and Wales ("the President") to nominate such a person as the Expert and the person nominated by the President shall be the Expert. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members.

The Expert will certify the open market value of the Transfer Shares as at the Transfer Notice Date on the following assumptions and bases:

12.5.1 valuing the Transfer Shares assuming an arm's length sale between a willing vendor and a willing purchaser;

12.5.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

12.5.3 that the Transfer Shares are capable of being transferred without restriction;

12.5.4 valuing the Transfer Shares as a rateable proportion of the total value of all the issued shares of the Company which value shall not be discounted or enhanced by reference to the class of the Transfer Shares or the number thereof and in particular no discount shall be applied to the value of the Transfer Shares to take account of the fact that they are a minority interest in the Company and no premium shall be applied to such value to take account of the fact that the Transfer Shares are a majority interest in the Company.

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do.

12.6 If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ("the Determination Date") shall be the date upon which the directors receive the Expert's determination of the Transfer Price in writing and the directors shall forthwith forward to the proposing transferor a copy of such determination. If the Transfer Price is determined by written agreement between the proposing transferor and the directors as aforesaid and not by the Expert then the Determination Date shall be the date on which such agreement is made.

12.7 Where the Expert has determined the Transfer Price as aforesaid the proposing transferor shall be entitled if the

Transfer Price is not acceptable to him (save as otherwise provided in these Articles) to revoke the transfer notice by giving notice in writing to the Company that he wishes to do so within a period of 21 days after the Determination Date (such period being herein referred to as "the Withdrawal Period").

12.8 The costs and expenses of the Expert in determining the Transfer Price shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless:

12.8.1 the proposing transferor shall revoke the Transfer Notice unless pursuant to Article 12.7; or

12.8.2 none of the Transfer Shares are purchased by the members pursuant to Articles 12.9. or 12.10

in either of which events the proposing transferor shall pay all of such costs and expenses.

12.9 Within 7 days after the Determination Date or, if the transfer notice is capable of being revoked, within 7 days after the expiry of the Withdrawal Period the Transfer Shares shall be offered for sale at the Transfer Price to those members who at the date of the offer are registered as holders of shares of the same class as the Transfer Shares (other than the proposing transferor, any member who has given or is deemed to have given a current transfer notice in respect of his shares or any of them and any member to whom under Article 13 shares may not be transferred) on terms that in the case of acceptances being received for a greater number of shares than

those to which the transfer notice relates the shares so offered shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or selling to any member a greater number of the Transfer Shares than the maximum number accepted by him) to the number of shares of that class then held by them respectively. If any of the Transfer Shares shall not be capable of being allocated as aforesaid without involving fractions, the same shall be offered amongst the acceptors, or some of them, in such proportions or in such manner as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.

12.10 If and to the extent that the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limited for acceptance (determined as below) or if there are no other holders of shares of that class the directors shall (in the former case) within 7 days after the expiration of the time limited for acceptance (and in the latter case) immediately, offer the Transfer Shares or so many thereof as have not been accepted as aforesaid (as the case may be) at the Transfer Price to members holding shares of any other class or classes (other than the proposing transferor or any member who has given or who is deemed to have given a current transfer notice in respect of his shares or any of them or any member to whom under Article 13 shares may not be transferred) and the provisions of paragraph 12.9 shall apply mutatis mutandis to such offer (save that in the case of acceptances being

received for a greater number of shares than those offered the shares so offered shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or selling to any member a greater number of shares than the maximum accepted by him) to the number of shares of whatever class then held by them respectively).

12.11 Any offer made pursuant to paragraphs 12.9 or 12.10 shall be made by notice in writing and shall specify

12.11.1 the number and class of the Transfer Shares;

12.11.2 the proportionate entitlement of the relevant member (on the assumption that there will be competition for the Transfer Shares);

12.11.3 the Transfer Price;

12.11.4 whether or not the transfer notice contained a Total Transfer Condition; and

12.11.5 a period (being not less than 21 days and not more than 42 days) within which the offer must be accepted or shall lapse.

12.12

12.12.1 If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to all the members, whereupon the holders of at least three-quarters in nominal value of the then issued Ordinary Shares of the Company (excluding the shares held by the proposing transferor) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice

in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of such Transfer Shares (and the directors shall be deemed to have made an offer of such shares to such persons accordingly); Provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this Article the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser.

12.12.2 If the transfer notice in question contained a Total Transfer Condition then no acceptance of any offer of Transfer Shares made by the directors pursuant to this Article shall be binding on the Company until all of the Transfer Shares shall have been accepted by the members (or any of them) and/or any person or persons nominated pursuant to sub-paragraph 12.2.1

12.12.3 If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) and the transfer notice in question contained a Total Transfer Condition then they shall forthwith give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the members or any person or persons nominated as aforesaid (except as mentioned below) pursuant to this Article. The proposing transferor may then within a

period of 3 months after the date of the said notice served by the directors sell all (but not some only) of the Transfer Shares to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, therefrom where appropriate any net dividend or other distribution declared, or made after the Transfer Notice Date in respect of the Transfer Shares and which has been or is to be retained by the proposing transferor).

12.13 If the transfer notice contained a Total Transfer Condition and any member or members or person or persons nominated pursuant to paragraph 12.12.1 ("purchaser" or "purchasers") shall within the period(s) of the aforesaid offer(s) agree to purchase all of the Transfer Shares the directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the purchasers and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the Company and the directors therefor none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 28 days after the date of the said notice and not being at a place outside the United Kingdom).

Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors.

12.14 If the transfer notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of part only of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor and the proposing transferor:

12.14.1 shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser those Transfer Shares accepted by him and the provisions of paragraph 12.13 shall apply mutatis mutandis thereto; and

12.14.2 may within a period of 3 months after the date of the said notice served by the directors sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, therefrom where appropriate the amount of any net dividend or other distribution declared, or made after the Transfer Notice Date in respect of such Transfer Shares and which has been or is to be retained by the proposing transferor).

12.15 If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise any one of their number (who shall be deemed to be the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may

receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The Company shall not be bound to earn or pay interest on any money so held. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

12.16 Without prejudice to the generality of Article 10.3, the directors may reasonably require to be satisfied that any shares being transferred by the proposing transferor pursuant to either paragraph 12.12.2 or paragraph 12.14.2 are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer.

12.17

12.17.1 Notwithstanding the provisions of paragraphs 12.12.2 and 12.14.2, no transfer of any shares or any interest therein ("the specified shares") shall be made by the proposing transferor or registered pursuant to either of those paragraphs if it would result in a person not a member of the Company on the date of the Special Resolution adopting these Articles or a Permitted Transferee of such person obtaining a Controlling Interest unless:

(a) the proposed transfer is pursuant to a bona fide arm's length offer made by the proposed transferee; and

(b) before the transfer is lodged for registration, the proposed transferee makes or procure(s) to be made a written offer (stipulated to be open for acceptance for a period of at least 30 days to purchase all the other shares in the capital of the Company for the time being in issue (at the same time and on the same terms and conditions for each offeree) at the specified price (as hereinafter defined) which offer every offeree shall be bound within 30 days of the making of such offer to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer); and

(c) before the transfer is registered each such accepted offer is completed and the consideration thereunder paid (subject only to registration of the transfer in respect of the specified shares) except insofar as failure to complete is due to the fault of the offeree

Such offer shall not be made conditional upon all or any proportion of the members accepting it and shall be in terms that it may be accepted by each member in respect of the whole or any part of his holding of shares.

12.17.2 For the purpose of sub-paragraph 12.17.1 "the specified price" shall mean a price per share at least equal to that offered or paid or payable by the proposed transferee(s) or his or their nominees for the specified shares to the proposing transferor plus an amount equal to the relevant proportion of any other consideration (in cash or

otherwise) received or receivable by the holder(s) of the specified shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the specified shares and in the event of disagreement the calculation of the specified price shall be referred to an umpire (acting as an expert and not as an arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of a disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales at the request of any of the parties concerned) whose decision shall be final and binding.

12.18

12.18.1 In this paragraph a "Relevant Event" means

12.18.1.1 in relation to a member being an individual:

12.18.1.1.1 such member becoming bankrupt; or

12.18.1.1.2 the happening of any such event as is referred to in paragraph (c) of regulation 81;

12.18.1.2 such member making any arrangement or composition with his creditors generally;

12.18.1.3 in the case of a member who is an individual and is employed by the Company for the time being as an employee under a service contract, his ceasing to be so employed (otherwise than by reason of death or unfair or wrongful dismissal).

12.18.1.4 in relation to a member being a body corporate or a Significant Group Company of the Members Group of such body corporate:

- (a) if any action is commenced or any order is made or resolution passed to wind-up or dissolve the member or Significant Group Company (other than a voluntary winding-up for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
- (b) if any encumbrancer takes possession of the whole or a substantial part of the undertaking, property or assets of the member or Significant Group Company; or
- (c) if any receiver, administrator, liquidator, trustee or similar officer is appointed over the whole or a substantial part of the undertaking, property or assets of the member or Significant Group Company; or
- (d) if the member or Significant Group Company becomes bankrupt or insolvent or is unable or is deemed unable to pay its debts as they fall due (within the meaning of Section 123 Insolvency Act 1986) or makes any arrangement or composition with its creditors generally; or
- (e) if the member or Significant Group Company ceases or threatens to cease to carry on the whole or substantially the whole of its business.

For the purposes of this Article 12.18.1.4 the following expressions shall have the following meanings:

"Members Group" means the member and any company which at the relevant time is a holding company of the member or a subsidiary of the member or of any such holding company;

"Subsidiary" and "holding company" means a subsidiary and holding company as defined in Section 736 of the Companies Act 1985 as modified amended or re-enacted from time to time;

"Significant Group Company" in relation to a member ("the relevant member") means another body corporate in the Members Group of the relevant member the gross income of which is not less than fifteen per cent of the aggregate gross income of all other bodies corporate within such Members Group including the relevant member

12.18.2 Upon the happening of any Relevant Event the member in question shall be deemed to have immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such member.

12.18.3 If the Relevant Event shall be the bankruptcy of a member and if any of the shares ("the unsold shares") which are offered to the members pursuant to the transfer notice deemed to be given under sub-paragraph 12.18.2 shall not be sold to the members (or any of them) then, after the expiration of the period during which the unsold shares might have been purchased by a member or members pursuant thereto, the person who has become entitled to the unsold shares in consequence of the bankruptcy of the member shall be entitled either:

12.18.3.1 to sell the unsold shares to any person in the same manner and subject to the same conditions (mutatis

mutandis) as a proposing transferor could under paragraph 12.14.2 provided that any such sale shall nevertheless be subject to the provisions of paragraph 12.17; or

12.18.3.2 elect at any time to be registered himself as the holder of the unsold shares (but so that such election shall not give rise to any obligation to serve a transfer notice in respect of the unsold shares).

12.19 The election by the personal representatives of a member to become the registered holders of any share or to have some person nominated by him as the registered holder pursuant to regulation 30 shall be permitted by the directors and shall not give rise to any obligation to serve a transfer notice in respect of such share. Regulation 30 shall be modified accordingly.

12.20 A. obligation to transfer a share under the provisions of this Article shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

13. PROHIBITED TRANSFERS

Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any infant, bankrupt or person of unsound mind.

14. PROCEEDINGS AT GENERAL MEETINGS

14.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Three members, for so long as there shall be at least three members, and two members, for

so long as there shall be two members, present in person or by proxy shall be a quorum. Regulation 40 shall not apply.

14.2 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place (or to such other day and at such other time and place as all the members may agree in writing). If at any adjourned meeting such a quorum is not present within half an hour from the time appointed for the adjourned meeting any member or members present in person or by proxy shall be a quorum. Regulation 41 shall not apply.

14.3 At any general meeting a poll may be demanded by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.

14.4 An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

14.5 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.

14.6 The chairman of a general meeting shall not be entitled to a second or casting vote. Regulation 50 shall not apply.

15. Any such resolution in writing as is referred to in regulation 53 may, in the case of a corporation, be signed on

its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

16. NUMBER OF DIRECTORS

The maximum number of directors shall be three unless and for so long as the General Manager of the Company appointed pursuant to the Shareholders Agreement is appointed as a Director when the maximum number of Directors shall be 4.

17. ALTERNATE DIRECTORS

17.1 Any director (other than an alternate director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be in writing signed by the appointor and shall (unless the directors agree otherwise) only take effect upon lodgment thereof at the office or on delivery to a meeting of the directors or on delivery to the secretary.

The same person may be appointed as the alternate director of more than one director.

17.2 The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director otherwise than by retiring and being re-appointed at the same meeting.

17.3 An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not

personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director of the Company. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director his voting rights shall be cumulative, and he shall count as being present on behalf of his appointor and for himself for the purpose of determining whether a quorum is present. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

17.4 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such

appointor may by notice in writing to the Company from time to time direct.

17.5 Regulations 65 to 69 shall not apply.

18. NOMINATED DIRECTORS

18.1 A Major Shareholder shall for so long as he remains a Major Shareholder be entitled from time to time in his absolute discretion by notice in writing to the Company to appoint from time to time a person to be a director and by like notice to remove such person so appointed by him and to appoint any other person to be a director in the place of any person so removed.

18.2 A notice of appointment or removal of a director pursuant to this Article shall take effect upon lodgment at the office or on delivery to a meeting of the directors or on delivery to the secretary.

18.3 Any director appointed as aforesaid and for the time being holding office under this Article shall not be subject to retirement by rotation or be taken into account in determining the rotation of retirement of directors or be required to hold a share qualification.

18.4 A director appointed as aforesaid shall be entitled to remuneration of such amount as the Company may determine in accordance with Article 21.

18.5 Every director appointed pursuant to this Article shall hold office until he is removed in the manner provided by Article 18.1 above or Article 18.7 below or dies or vacates office pursuant to regulation 81 and neither the Company in

general meeting nor the directors shall have power to fill any such vacancy.

18.6 Any director appointed pursuant to this Article and any alternate director of any such director shall be at liberty from time to time to make such disclosure to his appointor(s) as to the business and affairs of the Company and its subsidiaries as he shall in his absolute discretion determine.

18.7 Any director appointed by a Major Shareholder pursuant to Article 18.1 shall vacate office if and when the Major Shareholder who appointed him ceases to be a Major Shareholder or he ceases to be a person eligible for appointment as a director by the Major Shareholder who appointed him.

19. APPOINTMENT AND RETIREMENT OF DIRECTORS

The directors shall not be subject to retirement by rotation and accordingly regulations 73 to 75 shall not apply and all other references in the regulations to retirement by rotation shall be disregarded accordingly.

20. DISQUALIFICATION AND REMOVAL OF DIRECTORS

Regulation 81 shall apply to the Company. The office of a Director appointed pursuant to Article 18. shall also be vacated if he shall be removed from office as provided in Article 18.

21. REMUNERATION OF DIRECTORS

The directors shall be entitled to such remuneration as the Company may by Ordinary Resolution determine and such remuneration shall (unless such resolution otherwise provides) be deemed to accrue on a daily basis and be divisible among

the directors as they may agree, or, failing agreement, equally, except that any director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Regulation 82 shall not apply.

22. BORROWING POWERS

The directors may exercise all the powers of the Company to borrow or raise money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party and to enter into guarantees for the obligations of any third party.

23. PENSIONS

The directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers (including directors and ex-directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependants of any such persons and may establish, support and maintain pensions, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them. Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity,

allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this Article conferred upon the directors notwithstanding that he is or may become interested therein. Regulation 87 shall not apply.

24. PROCEEDINGS OF DIRECTORS

24.1 The Chairman of any meeting of the directors or of any committee of the directors shall not be entitled to a second or casting vote. Regulation 88 shall be modified accordingly.

24.2 No business shall be transacted at any meeting of the directors unless a quorum of directors is present when the meeting proceeds to business. For so long as at least three directors shall hold office, the quorum shall be three directors, and for so long as there shall be less than three such directors, the quorum shall be two directors. In the event that at any duly convened meeting of the directors the meeting is not so quorate, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day, and at such other time and place as the directors may agree in writing) and at such adjourned meeting the quorum shall be any director or directors present. Regulation 89 shall not apply.

24.3 Appropriate complete minutes of each meeting of the directors shall be maintained by the Company and copies thereof distributed to the directors as soon as reasonably practicable after the meeting shall have been held.

24.4 A meeting of the Directors or of a duly appointed

committee thereof may be validly held notwithstanding that such Directors may not be in the same location provided that:

- (a) they are in constant communication with each other throughout by telephone, television or other form of communication; and
- (b) all directors entitled to receive notice of such meeting have received such notice

A resolution at a meeting of the Directors or at a duly appointed committee thereof, at which the quorum required by these Articles is present, over the telephone or through the medium of television or other form of communication shall be as valid and effectual as if it had been passed at a meeting of the Directors present in the same location.

25. A director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting or, as the case may require, shall be counted in reckoning a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 97 shall not apply.

26. NOTICES

Subject to the provisions of Article 24.2 a notice sent by post shall be deemed to be given if posted 48 hours after the time when the same was posted. The second sentence of regulation 115 shall not apply.

27. INDEMNITY

Subject to the provisions of and so far as may be permitted by law, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any negligence, default, breach of duty or breach of trust on his part in relation to the affairs of the Company) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Regulation 118 shall not apply.