



**SMALL LUXURY HOTELS OF THE WORLD LIMITED**  
( Registered No. 2547272 )

**COPY RESOLUTIONS**

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Copy of Resolutions in the type and the terms specified below as passed by the Members of the Company named above at an Extraordinary General Meeting of the Company duly convened and held on Sunday 30th January 1994 at 5 p.m. at The Hotel Bel-Air, 701 Stone Canyon Road, Los Angeles, California, 90077, USA, all of which resolutions were passed as Special Resolutions:

**Resolution 1**

That the existing definition of "Year" contained in article 1.1 of the Articles as set out below be replaced by the proposed definition of "Year" as set out below:

Existing 1.1: "'Year" - means the period commencing on 1 August in any calendar year and ending on 31 July in the following calendar year."

**Proposed 1.1:** "'Year" - initially means the period commencing on 1 August in any calendar year and ending on 31 July in the following calendar year; sometimes referred to as the fiscal year. Such year can be changed by the International Board at its sole discretion."

**Resolution 2**

That the existing article 3.5 as set out below be replaced by the proposed article 3.5 as set out below:

Existing 3.5: "Every Member shall be bound to contribute to the funds of the Company at least the minimum annual subscription fee per annum. The minimum subscription shall be fixed in advance by the Company in General Meeting for each year. An invoice shall be raised for the minimum subscription no later than 15 July every year and shall be due and payable by each member within thirty days. A member having given notice to the Company under article 4.1 shall not be bound to contribute to the funds of the Company in respect of the year of his withdrawal in excess of the subscription paid or payable by that member in respect of that year and payment of commissions due on bookings made up to midnight on 31 July in the year in which such notice is given."

**Proposed 3.5:** "Every Member shall be bound to contribute to the funds of the Company at least the minimum annual subscription fee per year. The minimum annual subscription fee shall be fixed and approved by the International Board not less than sixty days prior to the beginning of each year, such approval requiring a three-fourths majority of the members of the International Board. The invoice shall be raised for such minimum annual subscription fee no later than two weeks prior to the beginning of such year and shall be due and payable by each member within 30 days or such other times and under such terms as the International Board shall have set."

### **Resolution 3**

That the existing articles 4.2 and 4.4 as set out below be replaced respectively by the proposed articles 4.2 and 4.4 as set out below.

**Existing 4.2:** "Failure by any Member to pay the minimum annual subscription fee or any other monies due and payable to the Company in accordance with the provisions of the Articles and any by-laws or other regulations of the Company from time to time within thirty days of invoice or assessment shall automatically terminate that Member's membership of the Company. If any Member of the Company shall commit an Event of Default then the International Board may resolve by a majority of not less than three fourths of the members of the International Board to terminate or suspend the membership of the defaulting Member, to sanction the defaulting Member as the Board may think fit, or when the defaulting Member has committed an Event of Default contained in articles 4.3.1.1, 4.3.1.2 or 4.3.1.3, put a defaulting Member on Probation in respect of the hotel or hotels the subject of the Event of Default."

**Proposed 4.2:** "Failure by any Member to pay the minimum annual subscription fee or any other moneys due and payable to the Company in accordance with the provisions of the Articles and any by-laws or other regulations of the Company from time to time within thirty days of invoice or such other terms granted by the International Board and duly noted on such invoice or assessment, shall automatically subject that Member's membership in the Company to termination upon resolution of the International Board. If any Member of the Company shall commit an Event of Default then the International Board may resolve by a majority of not less than three fourths of the members of the International Board to terminate or suspend the membership of the defaulting Member, to sanction the defaulting Member as the Board may think fit, or when the defaulting Member has committed an Event of Default contained in articles 4.3.1.1, 4.3.1.2 or 4.3.1.3, put a defaulting Member on Probation in respect to the hotel or hotels the subject of the Event of Default."

**Existing 4.4:** "A resolution shall not be made under article 4.2 unless:-

4.4.1 the defaulting Member has been given notice of the proposed resolution in writing at least thirty days before the meeting of the International Board at which the resolution is to be proposed; and

4.2.2: the defaulting Member is given a fair opportunity of making representations to the International Board either orally or in writing before the resolution is voted upon; and

4.4.3: the resolution does not come into effect until at least five days after the defaulting Member has been given the opportunity to make representations in accordance with article 4.2.2."

**Proposed 4.4:** "A resolution shall not be made under article 4.2 unless:

4.4.1: the defaulting Member has been given notice of the proposed resolution of the termination or probation in writing at least thirty days prior to the date the resolution comes into effect; and

4.2.2: the defaulting Member is given a fair opportunity of making presentations to the International Board in writing at least ten days before the resolution comes into effect."

#### **Resolution 4**

That the existing articles 11.1, 11.2, 11.5.1, 11.5.2 and 11.6 as set out below be replaced respectively by the proposed articles 11.1, 11.2, 11.5.1, 11.5.2 and 11.6.

**Existing 11.1:** "As at 7th December 1992 there shall be three regions namely:-

- 11.1.1 The United Kingdom;
- 11.1.2 America;
- 11.1.3 Western Europe (excluding the United Kingdom),

and the boundaries of each of the Regions, and of any other Region that may be created from time to time by the International Board or by the Company in General Meeting, shall be set by the International Board as it shall decide."

**Proposed 11.1:** "Regions and the boundaries of such Regions shall be set by the International Board in their sole discretion having regard to the proportion of Members and bedrooms represented by such Members within such Regions and such determination of Regions shall be made each year not later than sixty days after the beginning of such year to reflect the membership as it exists at that time."

**Existing 11.2:** "The members of each of the above Regions shall be those members of the Company whose principal place of business is situated in that Region. Members of one Region may attend the meetings of another Region, but shall not be entitled to vote at such meetings.

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**Proposed 11.2:** "The members of each of the Regions so set by the International Board shall be those Members of the Company whose principal place of business is situated in that Region. Members of any one Region may attend the meetings of Members of another Region but shall not be entitled to vote at such meetings."

**Existing 11.5.1:** "At least thirty days before the end of the fiscal year of the Company as determined from time to time by the International Board, each Region shall so long as it is a Qualifying Region elect the permitted number of Regional Directors to the International Board from within the membership of its own Region and in accordance with the procedures established from time to time by the International Board. A Regional Director shall be eligible for re-election for no more than three consecutive terms."

**Proposed 11.5.1:** "Within ten days after the setting of the Qualifying Regions as governed by articles 11.1, 11.2 and 11.3, the International Board shall give notice to all Members within each Region to submit nominations for Regional Directors. Such notice shall require such nominations within twenty one days to be directed to the Chairman and the Secretary. Such nominations must be made by and for a Member of such Region in good standing and shall be seconded on the nomination form as prescribed by the International Board from time to time by an additional Member in good standing of the Region. To be valid any such nominations must be accompanied by a notice executed by the nominee indicating his willingness to act as a Regional Director. Each Region, so long as it is a Qualifying Region, shall elect the permitted number of Regional Directors to the International Board from within the membership of its own Region and in accordance with the procedures established from time to time by the International Board."

**Existing 11.5.2:** "No person other than a retiring Regional Director reappointed in accordance with article 16.2 shall be appointed a director at any Regional meeting unless not less than thirty clear days before the date appointed for the Regional meeting notice executed by a Member qualified to vote at the Regional meeting has been given to the Company of the intention to propose that person for appointment or re-appointment together with notice executed by that person of his willingness to be appointed or reappointed."

**Proposed 11.5.2:** "The International Board may but shall not be obliged to propose nominees to stand for election as Regional Directors within each Qualifying Region, to add to the list of those nominees duly submitted and seconded according to article 11.5.1. The ballot information for such proposed Regional Directors shall then be submitted to all Members of such Qualifying Region in accordance with procedures established from time to time by the International Board. Such ballot form will indicate how many Regional Directors are to be appointed and any ballot form containing votes for more or less than the number of vacancies will be invalid provided the ballot form contains a statement to this effect."

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Existing 11.6: "Each such Regional meeting shall be responsible for the election of no more than three Directors or a number to be determined from time to time by the International Board."

Proposed 11.6: "Each such Qualifying Region shall be responsible for the election of no more than three Regional Directors or such number of Regional Directors to be determined by the International Board at the time Regions have been established as Qualifying Regions according to articles 11.1, 11.2 and 11.3."

Resolution 5

That the existing article 16 as set out below be replaced in its entirety by the proposed article 16 as set out below.

Existing 16: "Appointment and Retirement of Directors.

16.1: At every Annual Regional Meeting all the Regional Directors shall retire from office.

16.2: If the Region at the meeting at which the Regional Directors retire does not fill the vacancies, the retiring Regional Director shall, if willing to act, be deemed to have been reappointed unless at that meeting a resolution for the reappointment of a Director is put to the meeting and lost.

16.3: Not less than twenty-one clear days before the date appointed for holding a Regional meeting notice shall be given to all who are entitled to receive notice of the meeting of any Member in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director.

16.4: The International Board may appoint any person who is willing to act to be a Permanent Director either to fill a vacancy or as an additional Permanent Director provided that a maximum of three people who are not Members may be appointed as Permanent Directors.

16.5: The Regional Directors may appoint a Member who is willing to act to be a director to fill a vacancy for that Region. A Director so appointed shall, if not reappointed at the next following Annual Regional Meeting in accordance with Article 11, vacate office at the conclusion of such Annual Regional meeting.

16.6: Subject as aforesaid a Regional Director who retires at an Annual Regional Meeting may if he wishes to act be reappointed. If he is not reappointed he shall retain office until the meeting appoints someone in his place or if it does not do so until the end of the meeting."

**Proposed 16:** "Appointment and retirement of Directors,

**16.1:** Upon determination of the results of the ballots for the annual election of Regional Directors from each Qualifying Region, all of the then current Regional Directors shall have been deemed to have automatically retired unless they were duly re-elected.

**16.2:** "The Regional Directors may appoint a member who is willing to act to be a Director to fill any vacancy for its own Region or in the absence of such action, the International Board may appoint a Member who is willing to act to be a Director to fill such a vacancy. A Director so appointed shall vacate office if not renominated and elected at the next annual election in accordance with these articles."

**Resolution 6**

That the existing article 19.2 as set out below be replaced by the proposed article 19.2 as set out below:-

**Existing 19.2:** "Subject to any terms and conditions upon which the International Board resolves to delegate its powers in accordance with article 9.1 the proceedings of any committee shall be governed by the Articles regulating the proceedings of the International Board so far as they are capable of applying."  
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**Proposed 19.2:** "Subject to any terms and conditions upon which the International Board resolves to delegate its powers in accordance with article 19.1 the proceedings of any committee shall be governed by the Articles regulating the proceedings of the International Board so far as they are capable of applying."



PAUL J. KERR

SECRETARY

Dated this 30th January 1994