

Company number: 03004859

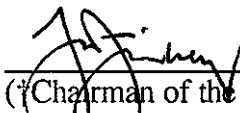
## THE HERITAGE PUB COMPANY LIMITED

The following Special Resolutions were passed by the Members at an Extraordinary General Meeting held on (date) 12 November 1996  
at (place) Wessex Chambers, South Street, Andover, Hampshire.

### SPECIAL RESOLUTIONS

1. That the authorised share capital of the Company is hereby increased from £10,000 to £600,000 by the creation of 590,000 shares of £1 each ranking pari passu in all respects with the existing shares in the capital of the Company.
2. (a) That the Company's authorised share capital of £600,000 at present divided into 600,000 shares of £1 each is hereby re-designated as 100,000 Ordinary shares and 500,000 Redeemable Cumulative Preference shares and accordingly the issued shares and 99,998 unissued shares of the Company are hereby redesignated as 100,000 Ordinary shares of £1 each and that the remaining 500,000 unissued shares of the Company are hereby re-designated as 500,000 Redeemable Cumulative Preference shares of £1 each.  
  
(b) That there shall be attached to the Ordinary shares and the Redeemable Cumulative Preference shares the rights and conditions set out in the Articles of Association of the Company to be adopted pursuant to resolution number 3 below.
3. That the regulations set forth in the printed document attached to this resolution, and for the purpose of identification marked with an "A" are hereby approved and adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, all the existing Articles thereof.

Signed:

  
(Chairman of the meeting/Director/Secretary)

(Delete as appropriate)



JORDANS LIMITED  
21 St. Thomas Street  
Bristol BS1 6JS  
LAW/PG/ TW 3935

THE COMPANIES ACTS 1985 to 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

THE HERITAGE PUB COMPANY LIMITED

(Adopted by Special Resolution dated 12 November 1996)

PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company. Any regulations previously applicable to the Company under any former enactment shall not apply to the Company.

(b) In these Articles the expression "the Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

SHARE CAPITAL

2. The capital of the Company is £600,000 divided into 500,000 Redeemable Cumulative Preference shares of £1 each (hereinafter called "the Preference shares") and 100,000 Ordinary shares of £1 each, ranking *pari passu* in all respects save as set out below.

ALLOTMENT OF SHARES

3. (a) All shares (of whatever class) shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit. This paragraph (a) shall have effect subject to Section 80 of the Act.

(b) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

(c) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot

and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the share capital of the Company authorised but unissued at the date of adoption of these Articles at any time or times during the period of five years from the date of adoption and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

## SHARES

4. The lien conferred by Clause 8 in Table A shall attach also to fully paid-up shares, and 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 indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Clause 8 in Table A shall be modified accordingly.

5. 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 Clause 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

## GENERAL MEETINGS AND RESOLUTIONS

6. (a) Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.

(b) No business shall be transacted at any General Meeting unless a quorum is present. Subject to paragraph (c) below two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.

(c) If and for so long as the Company has only one Member, that Member present in person or by proxy or if that Member is a corporation by a duly authorised representative shall be a quorum.

(d) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting 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 the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.

(e) Clauses 40 and 41 in Table A shall not apply to the Company.

7. (a) If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to sections 303 and 391 of the Act.

(b) Any decision taken by a sole Member pursuant to paragraph (a) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

#### VOTES OF MEMBERS

8. (a) The holder of a Preference share shall not by reason of his holding be entitled to receive notice of or attend or vote at any General Meeting of the Company unless at the date of the notice convening a meeting the dividend on such Preference share is more than six months in arrears in which case the holder of such Preference share shall be entitled to receive notice of and attend and vote at all General Meetings held before payment of such arrears as if the Preference shares ranked *pari passu* with the Ordinary shares in the capital of the Company.

(b) Clauses 38 and 54 in Table A shall be read and construed accordingly.

#### APPOINTMENT OF DIRECTORS

9. (a) Clause 64 in Table A shall not apply to the Company.

(b) The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of Directors and the minimum number of Directors shall be one. Whensoever the minimum number of Directors shall be one, a sole Director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the Directors generally, and Clause 89 in Table A shall be modified accordingly.

(c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.

(d) No person shall be appointed a Director at any General Meeting unless either:-

(i) he is recommended by the Directors; or

(ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice signed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.

(e) Subject to paragraph (d) above, the Company may by Ordinary Resolution in General Meeting appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.

(f) The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with paragraph (b) above as the maximum number of Directors and for the time being in force.

(g) In any case where as the result of the death of a sole Member of the Company the Company has no Members and no Directors the personal representatives of such deceased member shall have the right by notice in writing to appoint a person to be a Director of the Company and such appointment shall be as effective as if made by the Company in General Meeting pursuant to paragraph (e) of this Article.

#### BORROWING POWERS

10. The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and 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.

#### ALTERNATE DIRECTORS

11. (a) An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company 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, and the first sentence of Clause 66 in Table A shall be modified accordingly.

(b) A Director, or any such other person as is mentioned in Clause 65 in Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

#### GRATUITIES AND PENSIONS

12. (a) The Directors may exercise the powers of the Company conferred by Clause 3(ii)(s) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

(b) Clause 87 in Table A shall not apply to the Company.

## PROCEEDINGS OF DIRECTORS

13. (a) A Director may vote, at any meeting of the Directors or of any committee of the Directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

(b) Clauses 94 to 97 (inclusive) in Table A shall not apply to the Company.

## THE SEAL

14. (a) If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or second Director. The obligation under Clause 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Clause 101 of Table A shall not apply to the Company.

(b) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

## INDEMNITY

15. (a) Every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under Section 144 or Section 727 of the Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

(b) The Directors shall have power to purchase and maintain for any Director, officer or Auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

(c) Clause 118 in Table A shall not apply to the Company.

## TRANSFER OF SHARES

16. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of a share, whether or not it is a

7. (a) If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to sections 303 and 391 of the Act.

(b) Any decision taken by a sole Member pursuant to paragraph (a) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

#### VOTES OF MEMBERS

8. (a) The holder of a Preference share shall not by reason of his holding be entitled to receive notice of or attend or vote at any General Meeting of the Company unless at the date of the notice convening a meeting the dividend on such Preference share is more than six months in arrears in which case the holder of such Preference share shall be entitled to receive notice of and attend and vote at all General Meetings held before payment of such arrears as if the Preference shares ranked *pari passu* with the Ordinary shares in the capital of the Company.

(b) Clauses 38 and 54 in Table A shall be read and construed accordingly.

#### APPOINTMENT OF DIRECTORS

9. (a) Clause 64 in Table A shall not apply to the Company.

(b) The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of Directors and the minimum number of Directors shall be one. Whensoever the minimum number of Directors shall be one, a sole Director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the Directors generally, and Clause 89 in Table A shall be modified accordingly.

(c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.

(d) No person shall be appointed a Director at any General Meeting unless either:-

(i) he is recommended by the Directors; or

(ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice signed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.

fully paid share, and the first sentence of Clause 24 in Table A shall not apply to the Company.

## DIVIDEND

17. (a) The Preference shares shall confer the right to a fixed cumulative preferential dividend at the rate of 7 1/2 per cent per annum (net of the imputed tax credit available to shareholders) on the amounts for the time being paid up or credited as paid up thereon. The said dividend shall rank for payment in priority to the payment of a dividend on any other shares of the Company and shall be payable (if and so far as, in the opinion of the Directors, the profits of the Company justify such payment) annually within three months after the accounting reference date of the Company in respect of the accounting reference period ending on that date.

(b) The Preference shares shall not confer the right to any further or other participation in the profits of the Company.

(c) Clauses 102 to 108 (inclusive) and 110 in Table A shall be read and construed accordingly.

## CAPITAL

18. On a winding up or other repayment of capital, the assets of the Company (including capital uncalled at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the Company and the costs of winding up, shall be applied in the following order of priority:

(i) in repayment of the capital paid up or credited as paid up on the Preference shares (including any premium)

(ii) a sum equal to any arrears or deficiency of the fixed cumulative dividend on the Preference shares (whether earned or declared or resolved to be paid or not) calculated down to the date of repayment of capital

(iii) in repayment of the capital paid up or credited as paid up on the Ordinary shares (including any premium)

and the residue (if any) shall be divided among the holders of the Ordinary shares in proportion to the nominal amount paid up or credited as paid up on such shares.

## REDEMPTION

19. (a) Provided always that no Preference share may be redeemed earlier than the second anniversary of the date of adoption of these Articles of Association the Company may, subject to the provisions of the Act, at any time redeem the whole or any part of the Preference shares upon giving to the shareholders whose shares are to be redeemed not less than six months' notice in writing, expiring at any time, of the date fixed for redemption. The Company shall not be entitled to redeem any Preference share unless it is a fully paid share.



(b) In the case of a partial redemption the Preference shares to be redeemed shall be selected by drawings to be made at such place and in such manner as the Directors in their absolute discretion shall determine.

(c) The Company shall redeem the whole of the Preference shares then outstanding on 31 December 2003, or as soon thereafter as the Company shall be able to comply with the statutory provisions for the time being affecting such redemption. Not less than three months previous notice in writing shall be given to the holders of such shares specifying the date upon which the same will be redeemed.

(d) Any notice of redemption shall specify the particular shares to be redeemed, the date fixed for redemption and the place at which the certificates for such shares are to be presented for redemption. At the time and place so fixed, each holder thereof shall be bound to surrender to the Company for cancellation the certificates for his shares which are to be redeemed together with a receipt for the moneys payable to him upon the redemption of such shares. Upon such surrender the Company shall pay to him the amount due upon redemption. If any certificate so surrendered to the Company shall include any Preference shares not then to be redeemed, a fresh certificate for those shares shall be issued without charge.

(e) There shall be paid on each Preference share redeemed:-

(i) the amount paid up or credited as paid up thereon (including any premium); and

(ii) a sum equal to any arrears or deficiency of the fixed cumulative dividend on such shares (whether earned or declared or resolved to be paid or not) calculated down to the date of repayment of capital.

(f) As from the date fixed for redemption of any Preference shares dividend shall cease to accrue on the shares except on any such share in respect of which, upon due presentation of the certificate relating thereto, payment of the money due at such redemption shall be refused.