



**THE COMPANIES ACTS 1985 AND 1989**

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**COMPANY LIMITED BY SHARES**

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**SPECIAL RESOLUTION**

of

**FLYING COLOURS LEISURE GROUP LIMITED**

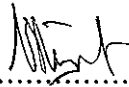
At an extraordinary general meeting of the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as a special resolution:

**THAT:**

- (a) each existing Convertible Participating "A" Preferred Ordinary Share of 1p each, Ordinary Share of 1p each (including all authorised but unissued Ordinary Shares of 1p each) and each Convertible Participating Preferred Ordinary Share of 1p each in the capital of the Company will convert into Deferred Shares of 1p each in the capital of the Company having attached thereto the rights specified in the New Articles of Association of the Company to be adopted pursuant to sub-paragraph (f) of this resolution.
- (b) each existing Cumulative Redeemable "B" Preference Share of 10p each in the capital of the Company be and is hereby converted into 10 Deferred Shares of 1p each having attached thereto the rights specified in the New Articles of Association of the Company to be adopted pursuant to sub-paragraph (f) of this resolution.
- (c) the rights attaching to 6,371,429 existing issued Cumulative Redeemable "A" Preference Shares of 10p each in the capital of the Company and to 4,945,499 existing issued Cumulative Redeemable "C" Preference Shares of 10p each in the capital of the Company be and are hereby varied so that the rights attaching to such shares shall be as specified in the New Articles of Association of the Company to be adopted pursuant to sub paragraph (f) of this resolution.
- (d) 1,744,775 of the existing issued Cumulative Redeemable "A" Preference Shares of 10p each in the capital of the Company be and are hereby converted into 17,447,750 Deferred Shares

- of 1p each having attached thereto the rights specified in the New Articles of Association of the Company to be adopted pursuant to sub-paragraph (f) of its resolution.
- (e) 4,000,000 existing issued Cumulative Redeemable "A" Preference Shares of 10p each in the capital of the Company be and are hereby converted into Cumulative Redeemable "AA" Preference Shares of 10p each having attached thereto the rights specified in the New Articles of Association of the Company to be adopted pursuant to sub-paragraph (f) of this Resolution;
  - (f) the regulations contained in the printed document submitted to the Meeting marked "A" and for the purpose of identification signed by the Chairman thereof be and the same are hereby approved and adopted as the New Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association thereof.
  - (g) the authorised share capital of the Company be and is hereby increased from £7,886,838.95 to £8,912,757.83 by the creation of:
    - (i) 79,357,648 Deferred Shares of 1p each;
    - (ii) 2,206,424 Cumulative Redeemable "C" Preference Shares of 10p each;
    - (iii) 170,000 Redeemable "D" Preference Shares of 1p each;
    - (iv) 10,000 New Ordinary Shares of 1p each;
 each having attached thereto the rights specified in the Articles of Association of the Company adopted pursuant to sub-paragraph (f) of this resolution;
  - (h) the Directors be and they are hereby generally and unconditionally authorised in accordance with section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £1,025,918.88 comprising up to £220,642.40 in nominal value of Cumulative Redeemable "C" Preference Shares, £1,700.00 in nominal value of Redeemable "D" Preference Shares, £793,576.48 in nominal value of Deferred Shares and £10,000.00 in nominal value of New Ordinary Shares for a period of 5 years from the date of passing this Resolution but so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would or might require relevant securities to be allotted after such expiry;
  - (i) the Directors be and they are hereby empowered to allot equity securities pursuant to the authority given in accordance with sub-paragraph 1(h) of this Resolution as if section 89(1) of the Act did not apply to such allotment and as if any restriction on allotments contained in the existing Articles of Association or in the new Articles of Association of the Company to be adopted pursuant to sub-paragraph (f) of this Resolution did not apply to any such allotment, for a period of 5 years from the date of the passing of this Resolution;
  - (j) all previous authorities given by the Company in General Meeting pursuant to section 80 of the Act be and they are hereby revoked Provided that such revocation shall not have retrospective effect;

- (k) words and expressions defined in or for the purposes of Part IV of the Act shall bear the same meanings in this Resolution;

A handwritten signature in black ink, appearing to be 'Ment', is positioned above a horizontal dotted line.

Chairman

Company No. 3124442

**THE COMPANIES ACTS 1985 AND 1989**

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**COMPANY LIMITED BY SHARES**

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**EXTRAORDINARY RESOLUTION**

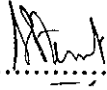
of

**FLYING COLOURS LEISURE GROUP LIMITED**

At a separate general meeting of the holders of the Convertible Participating Preferred Ordinary Shares of 1p each in the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as an extraordinary resolution.

**THAT** this separate general meeting of the holders of the Convertible Participating Preferred Ordinary Shares of 1p each in the Company hereby consents to and sanctions the passing as a special resolution of the resolution set out in the Notice of Extraordinary General Meeting of the Company dated 6 December 1997 accompanying this Notice and implementation thereof including, without limitation, the allotment of the New Ordinary Shares of 1p each, Deferred Shares of 1p each and Redeemable "C" Preference Shares of 10p each and Redeemable "D" Preference Shares of 1p each and hereby consents to and sanctions each and every variation or abrogation of the rights and privileges attaching to the said Ordinary Shares of 1p each as set out in the new Articles of Association which may be involved in or effected by or pursuant to the passing as aforesaid of such resolution or the implementation thereof, including without limitation the allotment of all or any such shares voting, conversion of the Cumulative Redeemable "A" Preference Shares of 10p each to Deferred Shares of 1p each or, as the case may be, Redeemable "AA" Preference Shares of 10p each and the variation of the dividend, capital, voting and other rights attaching to the Cumulative Redeemable "A" Preference Shares of 10p each remaining in issue and the Cumulative Redeemable "C" Preference Shares of 10p each and the removal of the dividend, capital, voting and other rights of such Convertible Participating Preferred Ordinary Shares of 1p each and to the conversion of such Convertible Participating Preferred Ordinary Shares of 1p each (together with the Cumulative

Redeemable "B" Preference Shares of 10p each, the Ordinary shares of 1p each and the Convertible Participating "A" Ordinary Preferred Shares of 1p each) into Deferred Shares of 1p.

A handwritten signature in black ink, appearing to be 'M. Smith', is written over a horizontal dotted line.

Chairman

Company No. 3124442

**THE COMPANIES ACTS 1985 AND 1989**

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**COMPANY LIMITED BY SHARES**

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**EXTRAORDINARY RESOLUTION**

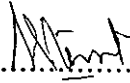
of

**FLYING COLOURS LEISURE GROUP LIMITED**

At a separate general meeting of the holders of the Convertible Participating "A" Preferred Ordinary Shares of 1p each in the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as an extraordinary resolution.

**THAT** this separate general meeting of the holders of the Convertible Participating "A" Preferred Ordinary Shares of 1p each in the Company hereby consents to and sanctions the passing as a special resolution of the resolution set out in the Notice of Extraordinary General Meeting of the Company dated 6 December 1997 accompanying this Notice and implementation thereof including, without limitation, the allotment of the New Ordinary Shares of 1p each, Deferred Shares of 1p each, Redeemable "C" Preference Shares of 10p each and Redeemable "D" Preference Shares of 1p each and hereby consents to and sanctions each and every variation or abrogation of the rights and privileges attaching to the said Convertible Participating "A" Preferred Ordinary Shares of 1p each as set out in the new Articles of Association which may be involved in or effected by or pursuant to the passing as aforesaid of such resolution or the implementation thereof, including, without limitation, the allotment of all or any such shares and the conversion of certain of the Cumulative Redeemable "A" Preference Shares of 10p each, to Deferred Shares of 1p each, or as the case may be to Redeemable "AA" Preference Shares and to the variation of the dividend, capital, voting and other rights attaching to the Cumulative Redeemable "A" Preference Shares of 10p each remaining in issue and to the Cumulative Redeemable "C" Preference Shares of 10p each and the removal of the dividend, capital, voting and other rights of the Convertible Participating "A" Preferred Ordinary Shares of 1p each and to the conversion of such Convertible Participating "A" Preferred Ordinary Shares of 1p each (together with the Cumulative Redeemable "B" Preference Shares of 10p each, the

Convertible Participating Preferred Ordinary Shares of 1p each and the Ordinary Shares of 1p each)  
into Deferred Shares of 1p.

A handwritten signature in black ink, appearing to be 'M. Mont', is written over a horizontal dotted line.

Chairman

Company No. 3124442

**THE COMPANIES ACTS 1985 AND 1989**

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**COMPANY LIMITED BY SHARES**

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**EXTRAORDINARY RESOLUTION**

of

**FLYING COLOURS LEISURE GROUP LIMITED**

At a separate general meeting of the holders of the Deferred Shares of 1p each in the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as an extraordinary resolution.

THAT this separate general meeting of the holders of the Deferred Shares of 1p each in the Company hereby consents to and sanctions the passing as a special resolution of the resolution set out in the Notice of Extraordinary General Meeting of the Company dated 6 December 1997 accompanying this Notice and implementation thereof and hereby consents to and sanctions each and every variation or abrogation of the rights and privileges attaching to the said Deferred Shares of 1p each as set out in the new Articles of Association which may be involved in or effected by or pursuant to the passing as aforesaid of such resolution or the implementation thereof.



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Chairman

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**EXTRAORDINARY RESOLUTION**

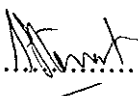
of

**FLYING COLOURS LEISURE GROUP LIMITED**

At a separate general meeting of the holders of the Cumulative Redeemable "A" Preference Shares of 10p each in the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as an extraordinary resolution.

**THAT** this separate general meeting of the holders of the Cumulative Redeemable "A" Preference Shares of 10p each in the Company hereby consents to and sanctions the passing as a special resolution of the resolution set out in the Notice of Extraordinary General Meeting of the Company dated 11 December 1997 accompanying this Notice and implementation thereof including, without limitation, the allotment of all or any of the New Ordinary Shares of 1p each, Deferred Shares of 1p each, Cumulative Redeemable "C" Preference Shares of 10p each and Redeemable "D" Preference Shares of 1p each created thereby and hereby consents to and sanctions each and every variation or abrogation of the rights and privileges attaching to the said Cumulative Redeemable "A" Preference Shares of 10p each as set out in the new Articles of Association which may be involved in or effected by or pursuant to the passing as aforesaid of such resolution or the implementation thereof, including, without limitation, the allotment of all or any such shares, the variation of the dividends, capital, voting and other rights of the Cumulative Redeemable "A" Preference Shares of 10p each to remain in issue and the variation or removal as the case may be of the dividends, capital, voting and other

rights of the Cumulative Redeemable "A" Preference Shares of 10p each to be converted to Redeemable "AA" Preference Shares of 10p each or Deferred Shares of 1p.



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Chairman

Company No. 3124442

**THE COMPANIES ACTS 1985 AND 1989**

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**COMPANY LIMITED BY SHARES**

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**EXTRAORDINARY RESOLUTION**

of

**FLYING COLOURS LEISURE GROUP LIMITED**

At a separate general meeting of the holders of the Cumulative Redeemable "B" Preference Shares of 10p each in the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as an extraordinary resolution.

**THAT** this separate general meeting of the holders of the Cumulative Redeemable "B" Preference Shares of 10p each in the Company hereby consents to and sanctions the passing as a special resolution of the resolution set out in the Notice of Extraordinary General Meeting of the Company dated 6 December 1997 accompanying this Notice and implementation thereof including, without limitation, the removal of the dividend, capital, voting and other rights and the sub-division and conversion of such Cumulative Redeemable "B" Preference Shares of 1p each (together with the Convertible Participating "A" Preferred Ordinary Shares of 1p each, the Convertible Participating Preferred Ordinary Shares of 1p each and the Ordinary Shares of 1p each) into Deferred Shares of 1p, the allotment of the New Ordinary Shares of 1p each, Deferred Shares of 1p each, Cumulative Redeemable "C" Preference Shares of 10p each and Redeemable "D" Preference Shares of 1p each and hereby consents to and sanctions each and every variation or abrogation of the rights and privileges attaching to the said Cumulative Redeemable "B" Preference Shares of 10p each as set out in the new Articles of Association which may be involved in or effected by or pursuant to the passing as aforesaid of such resolution or the implementation thereof, including without limitation the allotment of all or any of such shares and the conversion of the Cumulative Redeemable "A" Preference Shares of 10p each to Deferred Shares of 1p each, or as the case may be Redeemable "AA" Preference Shares of 10p each and to the variation of the dividend, capital, voting and other

rights attaching to the Cumulative Redeemable "A" Preference Shares of 10p each remaining in issue and the Cumulative Redeemable "C" Preference Shares of 10p each.



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Chairman

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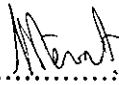
of

**FLYING COLOURS LEISURE GROUP LIMITED**

At a separate general meeting of the holders of the Cumulative Redeemable "C" Preference Shares of 10p each in the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as an extraordinary resolution.

**THAT** this separate general meeting of the holders of the Cumulative Redeemable "C" Preference Shares of 10p each in the Company hereby consents to and sanctions the passing as a special resolution of the resolution set out in the Notice of Extraordinary General Meeting of the Company dated 6 December 1997 accompanying this Notice and implementation thereof including, without limitation, the allotment of all or any of the New Ordinary Shares of 1p each, Deferred Shares of 1p each, Cumulative Redeemable "C" Preference Shares of 10p each, Redeemable "D" Preference Shares and hereby consents to and sanctions each and every variation or abrogation of the rights and privileges attaching to the said Cumulative Redeemable "C" Preference Shares of 10p each as set out in the new Articles of Association which may be involved in or effected by or pursuant to the passing as aforesaid of such resolution or the implementation thereof, including, without limitation, the allotment of all or any of the shares, the variation of the dividend, capital, voting and other rights of the Cumulative Redeemable "C" Preference Shares of 10p each and of the Cumulative Redeemable "A" Preference Shares of 10p each to remain in issue and the variation or removal as the case may be of the dividend, capital, voting and other rights of the Cumulative Redeemable "A" Preference

Shares of 10p each to be converted to Redeemable "AA" Preference Shares of 10p each or Deferred Shares of 1p.



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Chairman

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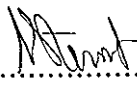
**FLYING COLOURS LEISURE GROUP LIMITED**

At a separate general meeting of the holders of the Ordinary Shares of 1p each in the Company held at 81 Farringdon Street, London EC4A 4BL on 11 December 1997 the following resolution was passed as an extraordinary resolution.

**THAT** this separate general meeting of the holders of the Ordinary Shares of 1p each in the Company hereby consents to and sanctions the passing as a special resolution of the resolution set out in the Notice of Extraordinary General Meeting of the Company dated 6 December 1997 accompanying this Notice and implementation thereof including, without limitation, the allotment of the New Ordinary Shares of 1p each, Deferred Shares of 1p each, Redeemable "C" Preference Shares of 10p each and Redeemable "D" Preference Shares of 1p each and hereby consents to and sanctions each and every variation or abrogation of the rights and privileges attaching to the said Ordinary Shares of 1p each as set out in the new Articles of Association which may be involved in or effected by or pursuant to the passing as aforesaid of such resolution or the implementation thereof, including without limitation the allotment of all or any of such shares, or as the case may be the conversion of the Cumulative Redeemable "A" Preference Shares of 10p each to Deferred Shares of 1p each or, as the case maybe, Redeemable "AA" Preference Shares of 10p each, and the variation of the dividend, capital, voting and other rights attaching to the Cumulative Redeemable "A" Preference Shares of 10p each remaining in issue and the Cumulative Redeemable "C" Preference Shares of 10p each and the removal of the dividend, capital, voting and other rights of the Ordinary Shares of 1p each and to the conversion of such Ordinary Shares of 1p each (together with the Cumulative Redeemable "B"

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Preference Shares of 10p each, the Convertible Participating Preferred Ordinary Shares of 1p each and the Convertible Participating "A" Preferred Ordinary Shares of 1p each) into Deferred Shares of 1p.



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Chairman