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COMPANY LIMITED BY SHARES

**ORDINARY AND SPECIAL RESOLUTIONS**

of

**VENDCROWN LIMITED**

At an extraordinary general meeting of the Company held at 60 East Streer Epsom KT17 1HB on 15 April 2002 the following resolutions were passed, in the case of resolutions 1 and 2, as ordinary resolutions, and in the case of resolutions 3 and 4, as special resolutions:

**ORDINARY RESOLUTIONS**

1. THAT, the authorised share capital of the Company be increased to £19,386.556 by the creation of 454,545 B Ordinary Shares of 0.1p each.
2. THAT the directors be 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 (within the meaning of that section) up to an aggregate nominal amount of £19,386.556 for a period expiring 5 years after the date of the passing of this resolution but the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the directors may allot relevant securities in pursuance of that offer or agreement as if the authority conferred by this resolution had not expired.

**SPECIAL RESOLUTIONS**

3. THAT, subject to the passing of resolution 2, the directors be generally empowered pursuant to section 95 of the Companies Act 1985 (the "Act") to allot equity securities (within the meaning of section 94(2) of the Act) for cash pursuant to the general authority conferred by resolution 2 as if section 89(1) of the Act did not apply to the allotment, provided that the power conferred by this resolution will expire 5 years after the date of the passing of this resolution, but the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if the power conferred by this resolution had not expired.
4. THAT, the Company's articles of association be altered by making the attached changes to article 7:



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I. **INTERPRETATION**

Insertion of the following new definition:

"**2002 Loan Notes**" means the £10,000,000 unsecured loan notes of the Company constituted by a deed poll date on or about 21 March 2002.

The existing Article 7 be replaced with the following:

**REDEMPTION OF "B" ORDINARY SHARES CLAUSE**

7. **REDEMPTION OF "B" ORDINARY SHARES**

7.1 The provisions of Article 7 only apply if there is a Sale or Listing and the Unit Holders' Internal Rate of Return is 30% or more on the Relevant Date.

7.2 In the event of a Sale or Listing which gives the Unit Holders an Internal Rate of Return of more than 30% on the Relevant Date, then on the Relevant Date such number of "B" Ordinary Shares shall be redeemed as would result in holders of the "A" Ordinary Shares being entitled to a share of the Exit Value (which for the avoidance of doubt shall be calculated after taking into account any redemption of "B" Ordinary Shares pursuant to this Article 7.2) equivalent in the amount to the sum of:

- (i) X% of the sum of the Exit Value plus any amounts paid or to be paid (inclusive of associated tax credits) on any redemption of "B" Ordinary Shares pursuant to this Article 7.2; plus
- (ii) Y% of the sum of the Incremental Value plus any amounts paid or to be paid (inclusive of associated tax credits) on any redemption of "B" Ordinary Shares pursuant to this Article 7.2.

where X and Y are determined as follows:

If on the Relevant Date the number of "A" Ordinary Shares held by employees or former employees of the Company or any of its subsidiary undertakings, or by trusts established by such employees or former employees, is 4,850,000, then X shall be 33 and Y shall be 15. If the number of "A" Ordinary Shares so held is less than 4,850,000, then X and Y shall be reduced pro rata.

7.3 The "**Internal Rate of Return**" shall be calculated as follows.

7.3.1A Provided that the redemption of Loan Stock shall be deemed to have taken place on 31 August 1998.

7.3.1 In respect of each day from the Commencement Date to the Relevant Date inclusive there shall be ascertained:

- (i) the total amount of cash paid to the Company on that day for or in respect of each Unit (provided that the amount of cash paid for each Preference Share and "B" Ordinary Share shall be deemed to be £1); and

- (ii) the total amount of:
  - (a) all cash paid by the Company in respect of each Unit on that day, including any repayments or purchases of share capital or any redemption of Loan Notes and 2002 Loan Notes and excluding any fees; and
  - (b) any tax credit in respect of distributions and tax deducted from interest payments in respect of such Unit on that day.

The figure which results from deducting (i) from (ii) above is referred to below as the "cash flow for that day".

7.3.2 For the purposes of Article 7:

- (i) it shall be assumed that the Unit Holder still holds the Unit save to the extent that any part thereof has been repaid or purchased by the Company (so, for the avoidance of doubt, in the event of any redemption of Loan Notes, 2002 Loan Notes or Preference Shares or their purchase by the Company, the composition of the Unit will vary accordingly);
- (ii) in calculating the cash flow arising on the Relevant Date, the Unit Holder shall be deemed to have received in cash on that day, and accordingly there shall be included in the figure to be ascertained under Article 7.3.1 (ii);
  - (a) that proportion of the Exit Value of the Company which is attributable to the "B" Ordinary Share comprised in the Unit (calculated after taking account of any redemption pursuant to this Article);
  - (b) if not already redeemed the amount paid upon redemption of the Preference Shares, Loan Notes and 2002 Loan Notes (or, in the case of a redemption on Listing to be paid immediately after the Listing) pursuant to Article 5 and the instrument constituting the Loan Notes and 2002 Loan Notes; and
  - (c) the amount paid upon redemption of the "B" Ordinary Shares pursuant to Article 7.

7.3.3 The Internal Rate of Return is "r"

where "r" is the percentage such that the sum of the amounts calculated in accordance with the following formula and ascertained pursuant to Article 7.3.1 for each day from the Commencement Date to the Relevant Date inclusive is zero:

Cash flow for that day t

t - 1

365

(1 + r)

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where t is 1 in respect of the Commencement Date, 2 in respect of the second day and so on (such that, for the avoidance of doubt, t equals 366 for the first anniversary of the Commencement Date).

7.4 In this Article:

7.4.1 "Unit" means, for the purpose of this Article, a notional unit comprising:

In respect of the period up to and including 15 January 1999

(i) 2,195,130 Preference Shares  
6,469,880

(ii) 1 "B" Ordinary Share; and

(iii) 12,787,453 Loan Notes  
6,469,880

In respect of the period after 15 January 1999

(iv) 3,242,740 Preference Shares; and  
6,469,880

(v) 1 "B" Ordinary Share;

In respect of the period after 21 March 2002

(vi) 6,052,187 2002 Loan Notes; and  
6,469,880

(vii) 1 "B" Ordinary Share

and a "Unit Holder" is a holder of one or more "B" Ordinary Shares;

7.4.2 The "Commencement Date" is the date of adoption of these Articles except that, in respect of Article 7.4.1(iii), the Commencement Date shall be the date of the deed poll constituting the Loan Notes and in 7.4.1(vi) the Commencement Date shall be the date of the deed poll constituting the 2002 Loan Notes;

7.4.3 The "Relevant Date" on a Sale is the date of the Sale and the "Relevant Date" on a Listing is the day immediately before the Listing;

7.4.4 "Exit Value" means:

(viii) in the case of a Listing, the price per share at which ordinary shares in the Company are sold or offered in connection with the Listing (in the case of an offer for sale, being the underwritten price or, if an offer for sale by tender, the striking price under such offer or, in the case of a placing, the price at which shares are sold under the placing) multiplied by the number of ordinary shares in issue at the time of such Listing, but excluding any shares issued for the purpose of raising money for the Company as part of

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the Listing arrangements (whether in order to finance the redemption of shares or the repayment of loans or for any other reason whatsoever);

- (ix) in the case of a Sale, the total consideration received for 100 per cent. of the equity shares calculated as follows:-
  - (d) if the ordinary share capital of the Company is to be sold by private treaty (as distinct from a public offer) and the consideration is a fixed cash sum payable, after expenses, in full on completion of the acquisition of 100 per cent. of such equity shares, such cash sum;
  - (e) if the Sale is pursuant to a public cash offer (or public offer accompanied by a cash alternative), the cash consideration or cash alternative price of 100 per cent. of such equity shares;
  - (f) if the Sale is by private treaty or public offer and the consideration is the issue of securities (not accompanied by a cash alternative):
    - (aa) if the securities rank pari passu with a class of securities already admitted to the Official List of The Stock Exchange or dealt in on a Recognised Investment Exchange (in the case of a sale by private treaty) the value attributed to such consideration in the related sale agreement for the terms of such offer, or, in the case of a sale following a public offer or failing any such attribution in the related sale agreement, by reference to the value of such consideration determined by reference to the average middle market quotation of such securities over the five business days prior to the day on which the offer for or intention to acquire the Company is first announced by the proposed purchaser; or
    - (bb) if the securities are not of such a class, the value of such security as determined by the Expert as referred to in Article 7.6 below in a certificate obtained for the purpose and addressed to the holders of the shares in the ordinary share capital of the Company;
  - (g) to the extent that the Sale includes an element of deferred consideration, its value shall be the present value of such deferred consideration agreed as referred to in Article 7.5 or, failing which, as determined and certified by the Expert as referred to in Article 7.6 below; and
  - (h) to the extent that the consideration paid on a Sale is capable or subject to adjustment or a payment of damages may have to be made which reduces the value of the consideration received whether by way of retention, warranty claim, adjustments based on the financial position or profits of a company or otherwise howsoever, the amount (taking into account the timing of any payments) shall be agreed as referred to in Article 7.5 or, failing which determined and certified by the Expert as referred to in Article 7.6 below,

provided always that if the Sale comprises less than 100 per cent. of such equity shares, the consideration shall be grossed up accordingly;

- 7.4.5 **"Incremental Value"** means the Exit Value attributable to the "A" Ordinary Shares and the "B" Ordinary Shares less the amount which must be attributable to the "A" Ordinary Shares and the "B" Ordinary Shares (inclusive of any redemptions of "B" Ordinary Shares pursuant to Article 7.2) in order for the Internal Rate of Return in respect of each Unit to equal 30% on the Relevant Date.
- 7.5 For the purposes of this Article 7 the numbers of "B" Ordinary Shares to be redeemed shall either be agreed between the holders of not less than 50 per cent. in nominal value of the "B" Ordinary Shares on the one hand and the holders of not less than 50 per cent. in nominal value of the "A" Ordinary Shares on the other hand or, in the event of no agreement within 7 days of the event giving rise to the redemption, determined and certified by the Expert as referred to in Article 7.6.
- 7.6 If the numbers of "B" Ordinary Shares to be redeemed is not agreed in the manner provided by Article 7.5 it shall immediately be referred to an independent chartered accountant (the "Expert") for determination and certification. The Expert shall be an independent chartered accountant of not less than five years' standing who shall be nominated by agreement between the holders of 50 per cent. in nominal value of the "B" Ordinary Shares and the holders of 50 per cent. in nominal value of the "A" Ordinary Shares or (failing such nomination within 14 days of the event giving rise to the conversion) as may be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the request of any member or the Directors. Upon being nominated, the Expert shall determine and certify the Internal Rate of Returns and/or, as the case may be, such numbers of "B" Ordinary Shares to be redeemed and/or make any such determination contemplated above and the written certificate of the Expert (acting as expert and not as arbitrator) as to the number of "B" Ordinary Shares to be redeemed shall (save in the case of manifest error) be conclusive and binding on the Company and its members (including the holders of any warrants or other securities). The reasonable costs of the Expert shall be borne by the Company.
- 7.7 The redemption of "B" Ordinary Shares shall take place in proportion as nearly as possible to each "B" Ordinary Shareholder's holding of "B" Ordinary Shares and in accordance with the following:
- 7.7.1 On the Relevant Date the Company shall pay the following amount in cash in respect of each "B" Ordinary Share to be redeemed:
- (x) the nominal amount of the share;
  - (xi) a premium of 99.9p; and
  - (xii) a sum equal to any accrued and/or unpaid Ordinary Dividend and/or Participating Dividend calculated to the date of return of capital and payable whether or not the Company has enough profits available for distribution to pay the accrued and/or unpaid dividends.

The amount payable in respect of all the "B" Ordinary Shares to be redeemed comprises the "**redemption money**".

- 7.7.2 On the Relevant Date the redemption money shall become a debt due and payable by the Company to the "B" Ordinary Shareholders, whether or not the Company has enough profits available for distribution or other requisite funds to pay the redemption money.
- 7.7.3 On the Relevant Date the redemption money shall be paid to each "B" Ordinary Shareholder in respect of those "B" Ordinary Shares which are to be redeemed against receipt of the relevant share certificate or an indemnity in a form reasonably satisfactory to the Company in respect of a share certificate which cannot be produced. If a "B" Ordinary Shareholder produces neither the share certificate nor an indemnity the Company may retain his redemption money until delivery of the certificate or an indemnity.
- 7.7.4 The Company shall cancel share certificates in respect of redeemed "B" Ordinary Shares and issue fresh certificates without charge in respect of any "B" Ordinary Shares represented by those certificates and remaining outstanding.
- 7.7.5 As from the relevant Redemption Date the Participating Dividend shall cease to accrue on the "B" Ordinary Shares to be redeemed unless, despite presentation of the relevant share certificate or an indemnity, the Company fails to pay redemption money in respect of all the "B" Shares to be redeemed. In that case the Participating Dividend shall continue to accrue or be deemed to continue to accrue on the "B" Ordinary Shares in respect of which redemption money is outstanding.

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