

Company Number: 3338454

**HA! HA! BAR & CANTEEN LIMITED**

At an Extraordinary General Meeting of the Company duly held on *6th June* 1997, the following Resolutions were duly passed.

**ORDINARY RESOLUTION**

1. THAT the authorised share capital of the Company be increased to £10,000 by the creation of 8,986 additional Ordinary Shares of £1.00 each and 1,400 Deferred Shares of 1p each.

**SPECIAL RESOLUTION**

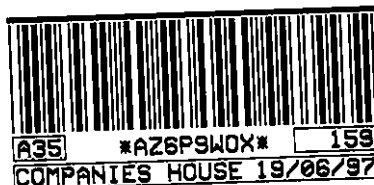
2. THAT the new Articles of Association of the Company be adopted in the form hereto attached in substitution for and to the exclusion of the existing Articles of Association.

**ORDINARY RESOLUTION**

3. THAT the Directors of the Company be and are hereby authorised to allot 4,998 Ordinary Shares of £1.00 each to Yates Brothers Wine Lodges PLC and 1,200 Deferred Shares of 1p each to Mrs Amanda Willmott.

*b* .....  
Director

SS/ML/HAHABA01.RES



THE COMPANIES ACT 1985

-----

PRIVATE COMPANY LIMITED BY SHARES

-----

M E M O R A N D U M

AND

A R T I C L E S   O F   A S S O C I A T I O N

O F

HA! HA! BAR & CANTEEN LIMITED<sup>1</sup>

-----

Incorporated on the 24th day of March 1997

-----

Dibb Lupton Alsop  
Solicitors  
Windsor House  
Temple Row  
Birmingham  
B2 5LF

<sup>1</sup>

The name of the Company was changed from Broomco (1248) Limited to Ha Ha Bar and Canteen Limited by special resolution dated 30 April 1997.

The name of the Company was further changed from Ha Ha Bar and Canteen Limited to HA! HA! Bar & Canteen Limited by special resolution dated 16 May 1997.

THE COMPANIES ACT 1985

-----

PRIVATE COMPANY LIMITED BY SHARES

-----

MEMORANDUM OF ASSOCIATION

OF

HA! HA! BAR & CANTEEN LIMITED

1. The Company's name is Broomco (1248) Limited<sup>1</sup>.
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:
  - 3.1 To carry on business as a general commercial company; that is to say:
    - 3.1.1 to carry on any trade or business whatsoever; and
    - 3.1.2 to do all such things as are incidental or conducive to the carrying on of any trade or business;
  - 3.2 to borrow or raise money in any manner and to secure by mortgage, charge or lien on the whole or any part of the Company's undertaking and property (whether present or future) including its uncalled capital, the discharge by the Company or any other person of any obligation or liability;
  - 3.3 to lend money and advance or give credit with or without security, but not to carry on the business of a registered money lender;
  - 3.4 generally to purchase, take on lease or exchange, hire or, by other means, acquire any real or personal property and any rights or privileges over or in respect of it;

---

<sup>1</sup>

The name of the Company was changed from Broomco (1248) Limited to Ha Ha Bar and Canteen Limited by special resolution dated 30 April 1997.

The name of the Company was further changed from Ha Ha Bar and Canteen Limited to HA! HA! Bar & Canteen Limited by special resolution dated 16 May 1997.

- 3.5 to sell, lease, let on hire or otherwise dispose of any real or personal property or the undertaking of the Company, or any part of it, for such consideration as the directors think fit;
- 3.6 to guarantee support or secure whether by personal obligation or covenant or by mortgaging or charging all or any part of the undertaking property and assets (present and future) and uncalled capital of the Company or by any one or more or all of such methods or by any other method the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of, and premiums, interest, dividends, and other moneys payable on or in respect of, any debentures, debenture stock, loan stock, shares or other securities, liabilities or obligations of any person firm or company, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company, as defined by Section 736 of the Companies Act 1985, (as re-enacted by the Companies Act 1989 or any subsequent re-enactment or amendment thereof) or a subsidiary undertaking or parent undertaking (as defined by section 258 of the Companies Act 1985 or any re-enactment or amendment thereof) of the Company, or another subsidiary of such holding company, or otherwise associated with the Company in business or through shareholdings;
- 3.7 to establish and maintain, or procure the establishment and maintenance of, any non-contributory or contributory pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time directors or officers of, or in the employment or service of, the Company or of any company which is a subsidiary of the Company or is allied to or associated with the Company or any such subsidiary or of any company which is a predecessor in business of the Company or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons as aforesaid and to make payments for or towards insurance for the benefit of any such persons as aforesaid;
- 3.8 to establish and contribute to any scheme for the purchase of, or subscription by trustees for shares in the Company to be held for the benefit of the employees of the 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;

3.9 to purchase and maintain insurance cover for directors and other officers or auditors of the Company against any liability to the Company or to any other person against any negligence, default, breach of duty or breach of trust or any other liabilities which may lawfully be insured against;

3.10 to amalgamate with any other company;

3.11 to make donations, gifts or contributions of any kind and for any purpose to any organisation, club or society whatsoever; and

3.12 to pay or settle any claims made against the Company whether legally enforceable or not,

and to do any of the foregoing either with or without receiving any payment or other consideration or benefit therefor and either in connection with any other business, activity or transaction or by itself.

AND SO THAT:

3.13 Each of the objects specified in each sub-clause of this clause 3 shall, except where otherwise expressed in such sub-clause, be regarded as an independent main object and shall not be limited or restricted by reference to or inference from the terms of any other sub-clause of this clause 3 or the name of the Company.

3.14 None of the sub-clauses of this clause 3 or the objects or powers specified or conferred in those sub-clauses shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Company shall have as full a power to exercise all or any of the objects and powers provided in each sub-clause as if each sub-clause contained the objects of a separate company.

3.15 The word "company" in this clause 3 (except where it refers to this Company) shall be deemed to include any person or partnership or other body of persons whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere and words denoting the singular only shall include the plural and vice versa.

4. The liability of the members is limited.

5. The Company's share capital is £1000 divided into 1000 shares of £1 each.<sup>2</sup>

---

<sup>2</sup> The share capital of the Company was increased to £10,000 by the creation of 8,986 additional Ordinary Shares of £1 each and 1,400 Deferred Shares of 1p each by ordinary resolution dated 6 June 1997.

Company Number: 3338454

THE COMPANIES ACT 1985

-----

COMPANY LIMITED BY SHARES

-----

ARTICLES OF ASSOCIATION

of

HA! HA! BAR & CANTEEN LIMITED

(Adopted by  
Special Resolution dated 6 June 1997)

PRELIMINARY

1. The headings shall not affect the construction hereof and in the interpretation of these Articles unless there is something in the subject or context inconsistent therewith the following words and expressions shall bear the meanings set out opposite them:-

"Accounting Period" means a four weekly accounting period of the Company as shown in its accounting records;

"the Act" means the Companies Act 1985;

"Articles" means these Articles of Association adopted by Special Resolution as shown above;

"Auditors" means the auditors for the time being of the Company;

"Bad Leaver" means any Deferred Shareholder whose consultancy agreement or contract of employment with the Company is terminated as a result of:-

- (a) in the case of a service agreement his resignation; or

(b) in circumstances where the Deferred Shareholder claims to be an employee and is not entitled to a statutory redundancy payment or does not establish that he has a successful claim against the Company for unfair and/or wrongful dismissal; or

(c) in Mrs Willmott's case only, breach of contract;

**"Board"** means the board of directors of the Company from time to time;

**"Consultancy Agreement"** means a consultancy agreement entered into between the Company and Amanda Willmott whereby the latter is to provide certain services to the Company upon the terms therein contained;

**"Control"** means the ownership of 50% or more of the issued share capital of the company in question;

**"Deferred Shares"** means the 1,400 non voting redeemable deferred shares of 1p each in the capital of the Company having the rights attaching thereto as set out in these Articles;

**"Deferred Shareholders"** means a holder at the relevant time of Deferred Shares;

**"Director"** means a director for the time being of the Company;

**"Good Leaver"** means any Deferred Shareholder who ceases to provide services pursuant to a consultancy agreement or whose consultancy agreement is terminated or who ceases to be employed pursuant to a service agreement or whose service agreement is terminated and who is not a Bad Leaver;

**"Group"** means the Company and its subsidiaries (if any) from time to time;



**"Mrs Willmott"** means Amanda Willmott of 11 Britannia Square Worcester WR1 3DG;

**"Ordinary Shares"** means ordinary shares of £1 each in the capital of the Company having the rights attaching thereto as set out in these Articles;

**"Ordinary Shareholder"** means a holder at the relevant time of Ordinary Shares;

**"Service Agreement"** means an agreement entered into between the Company and a Deferred Shareholder by which the Deferred Shareholder is employed by the Company upon the terms therein contained;

**"Shareholder"** or **"Member"** means a holder for the time being of Ordinary Shares and Deferred Shares from time to time;

**"Table A"** means Table A in the Schedule to the Companies (Tables A-F) Regulations 1985 (as amended);

**"Yates"** means Yates Brothers Wine Lodges PLC;

Words and expressions defined in the Act or in Table A shall unless the context otherwise requires have the same meanings in these Articles. The singular shall include the plural and the masculine the feminine and neuter and vice versa.

#### TABLE A

2. The clauses contained in Table A shall apply to the Company save insofar as they are excluded or modified hereby. The Clauses in Table A numbered 3, 24, 40, 50, 54, 64 to 69 (inclusive), 73, 74, 75, 80, 89, 95 and 97 shall not apply and in addition to the remaining Clauses in Table A the following shall be the Articles of Association of the Company.

## SHARES

### 3. Share Capital

The share capital of the Company at the date of the adoption of these Articles is £10,000 divided into 9,986 Ordinary Shares of £1.00 each and 1,400 Deferred Shares of 1p each.

### 4. Allotment of Shares

(a) The Directors are unconditionally authorised for the purposes of Section 80 of the Act to allot or otherwise dispose of or grant options over relevant securities of the Company (as defined by Section 80(2) of the Act) up to the amount of the share capital in existence at the date of adoption of these Articles to such persons (including any Director), on such terms and conditions and at such time or times as the Directors may think fit, and with full power for the Directors to give any person (including any Director) the call of any Shares, either at par or at a premium, and for such time and for such consideration as the Directors may think fit at any time or times during the period of five years from the date of the adoption of these Articles.

(b) By virtue of Section 91 of the Act, Sections 89(1) and Sections 90(1) to (6) of the Act shall be excluded from applying to the Company.

### 5. Lien

The Company shall have a first and paramount lien on every share (whether or not fully paid) 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 every share registered in the name of any person indebted to the Company whether as a member or not and whether he is the registered holder or one of several joint holders. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this

article. The Company's lien on a share shall extend to any amount payable in respect of it.

6. Rights attaching to Shares

The rights attaching to the respective classes of shares shall be as follows:-

(a) The Ordinary Shares shall entitle the holder thereof to participate in the profits or capital of the Company. The holders of the Ordinary Shares shall have the right to receive notice of and attend and vote at any general meeting of the Company. Each such holder thereof present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll to one vote for each Ordinary Share held by him.

(b) The Deferred Shares do not entitle the holders thereof to participate in the profits or save as herein provided capital of the Company. The holders of the Deferred Shares shall not be entitled to receive notice of, attend or vote at any general meeting of the Company.

(c) Redemption of the Deferred Shares

(i) The Company shall be entitled to redeem the Deferred Shares belonging to any Deferred Shareholder at par (subject to the provisions of the Companies Act 1985) at any time if such Deferred Shareholder becomes a Bad Leaver.

(ii) The following provisions shall apply in respect of a redemption of Deferred Shares under Article 6(c)(i):-

(1) within 7 days of service of notice by the Company upon any Deferred Shareholder to whom Article 6(c)(i) applies to redeem pursuant to Article 6(c)(1) each

registered holder of the Deferred Shares to whom such notice relates shall be bound to surrender to the Company the certificate for the Deferred Shares which are to be redeemed in order that the same may be cancelled, and upon such surrender the Company shall pay to such holder the amount payable in respect of such redemption provided that if any certificate so surrendered to the Company includes Deferred Shares not then redeemable a fresh certificate for the balance of the Deferred Shares not redeemable shall be issued to the holder by the Company;

- (2) if upon the date or dates fixed for redemption redemption is not effected because the provisions of the Companies Act 1985 or any other legislation do not permit such redemption then the Deferred Shares which were then due for redemption shall be redeemed as soon thereafter as circumstances enable the Company to do so in accordance with the provisions of the Companies Act 1985. Such redemption shall, if necessary, and as often as necessary, be effected partially and rateably amongst the holders of such Deferred Shares due for redemption and the provisions of this Article shall apply accordingly to such redemption;
- (3) the Company shall be under no obligation to effect any redemption of the Deferred Shares out of capital and the provisions

of this Article shall be construed accordingly.

(d) Subject to the provisions of the Act, the Company may purchase its own shares (including any deferred or redeemable shares) and make a payment in respect of the redemption or purchase of its own shares, whether out of its distributable profits or out of the proceeds of a fresh issue of shares or otherwise.

7. (a) Notwithstanding the provisions of Article 6(b) on a return of capital on liquidation or otherwise the assets of the Company remaining after the payment of its debts and liabilities and of the costs, charges and expenses of any such liquidation where applicable shall be applied in the following manner and order of priority:-

(i) first in paying to the holders of the Ordinary Shares a sum per Ordinary Share which in aggregate does not exceed £100,000,000; and

(ii) second the balance of such assets shall be distributed amongst the holders of the Ordinary Shares and the Deferred Shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid up on the shares of such classes held by them.

#### TRANSFERS AND TRANSMISSIONS OF ORDINARY SHARES

8. (a) (i) An Ordinary Share may at any time be transferred to any person PROVIDED THAT the written consent of all the holders of Ordinary Shares is given to such transfer.

(ii) Any Member may transfer any Ordinary Shares held by him where such transfer is made in accordance

with the provisions of paragraph (c) of this Article.

- (b) Notwithstanding the provisions of this Article the Directors may decline to register any transfer which would otherwise be permitted hereunder if it is a transfer which the Directors are entitled to refuse to register pursuant to the provisions of Clause 24 in Table A.
- (c) Save where a transfer is made pursuant to paragraph (a) above any person ("the Proposing Transferor") proposing to transfer any Ordinary Shares shall give notice in writing ("the Transfer Notice") to the Company specifying the Ordinary Shares he wishes to transfer ("the Sale Shares"). The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of the Sale Shares comprised in the Transfer Notice to any Member or Members willing to purchase the same ("the Purchasing Member") or to the Company itself in either case at a price to be determined in accordance with paragraph (e) below ("the Sale Price"). A Transfer Notice may contain a provision that unless all the Sale Shares are sold pursuant to paragraphs (c) and following of this Article part only shall not be so sold ("a Total Transfer Condition") and any such provision shall be binding on the Company. A Transfer Notice shall not be revocable except with the sanction of the Directors PROVIDED THAT the Proposing Transferor may revoke the Transfer Notice by notice in writing served on the Company within seven days of the issue of the Accountant's Certificate as to the Sale Price pursuant to paragraph (e).
- (d) Subject to the Proposing Transferor not having served a notice of revocation in accordance with paragraph (c) above the Directors shall ensure that the Sale Shares

shall be offered to all the Members at the date of the Transfer Notice (other than the Proposing Transferor) as nearly as may be in proportion to the number of Shares held by them respectively. Such offer shall be made by notice in writing ("the Offer Notice") not later than 15 days after receipt of the Transfer Notice in the event of the Sale Price being agreed between the Proposing Transferor and the Board or in the event of no such agreement not later than 15 days after the issue of the Accountant's Certificate. The Offer Notice shall state the number of the Sale Shares, the Sale Price per Sale Share, whether a Total Transfer Condition has been imposed and shall limit the time in which the offer may be accepted, to 28 days after the date of the Offer Notice. The Offer Notice shall further invite each Member to state in his reply the number of additional Sale Shares (if any) in excess of his proportion which he desires to purchase and if all the Members do not accept the offer in respect of their respective proportions in full the Sale Shares not so accepted shall be used to satisfy the claims for additional Sale Shares as nearly as may be in proportion to the number of Shares already held by them respectively at the date of the relevant Transfer Notice PROVIDED THAT no Member shall be obliged to take more Sale Shares than he shall have applied for. If any Sale Shares shall not be capable without fractions of being offered to the Members in proportion to their existing holdings, the same shall be offered to the Members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the Directors may think fit. For the purpose of these Articles an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company.

- (e) The Sale Price of the Sale Shares shall be either the price per Share agreed between the Proposing Transferor

and the Board within 15 days of the service of the Transfer Notice or (as the case may be) the date when the Transfer Notice is deemed to have been served or in default of agreement within such period such price as an independent chartered accountant appointed by agreement between the Proposing Transferor and the Board or in default of agreement appointed by the President of the Institute of Chartered Accountants in England and Wales ("the Accountant") shall on the application of either the Proposing Transferor or the Board certify in writing to be the fair value thereof per Share. In so certifying the Accountant shall be considered to be acting as expert and not arbitrator and his decision shall (save in the case of manifest error) be final and binding. The reasonable costs of the Accountant shall be borne by the Company. For the purposes of this paragraph the Accountant shall value the Sale Shares on assuming an arms length sale between a willing seller and a willing buyer and on the basis that each Share in the capital of the Company has the same value corresponding to its proportion of the value of all of the issued Shares in the Company taken as a whole and that no additional or reduced value is attached to any holding of Shares by virtue only of such holding comprising or after purchase conferring or giving rise to a majority or minority of the total issued share capital of the Company.

- (f) If purchasing Members shall be found for all the Sale Shares within the appropriate period specified in paragraph (d) above, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing (hereinafter called "the Sale Notice") to the Proposing Transferor and the Purchasing Members specifying the Purchasing Members and the Proposing Transferor shall be bound upon payment of the Sale Price (being the sum due in respect of all the Sale



Shares) to transfer the Sale Shares to the Purchasing Members.

- (g) If the Company shall not find an a Member or Members willing to purchase all or any of the Sale Shares pursuant to this Article before the expiry of the period referred to in paragraph (d) of this Article then the Company may for a period not exceeding 21 days from the expiration of such period offer such unallocated Shares at the Sale Price to a third party. Within three days of the acceptance of any such offer the Company shall serve upon the Proposing Transferor a Sale Notice.
- (h) If the Company shall not find a Member or Members or a third party willing to purchase all or any of the Sale Shares pursuant to this Article within the periods herein provided then the Company may, subject to the provisions of the Companies Act 1985 and with the consent of the Proposing Transferor exercise its power to purchase any (or if the Transfer Notice contained a Total Transfer Condition all) of the Sale Shares.
- (i) If the Company declines or is unable to exercise the power referred to in paragraphs (f), (g) or (h) the Company shall where the Transfer Notice contained a Total Transfer Condition serve upon the Proposing Transferor a notice specifying the Sale Shares unallocated in accordance with this Article ("a Non Allocation Notice") or where the Transfer Notice contained no Total Transfer Condition serve upon the Proposing Transferor a Sale Notice in respect of those Sale Shares allocated and a Non Allocation Notice specifying the number of Sale Shares remaining unallocated.
- (j) During the period of 30 days following the receipt by the Proposing Transferor of a Non Allocation Notice he shall be at liberty subject to paragraph (b) of this Article to

transfer the Sale Shares therein specified to any person or persons PROVIDED THAT (i) the price therefor is not less than the Sale Price per Share and (ii) if the Transfer Notice included a Total Transfer Condition the Proposing Transferor shall not be at liberty to sell part only of the Sale Shares pursuant to this paragraph (j).

- (k) If in any case the Proposing Transferor within 28 days of having become bound as aforesaid fails to transfer any Sale Shares in accordance with this Article the Company may receive the purchase money on his behalf, and may authorise a Director to execute a transfer of such Sale Shares in favour of the Purchasing Members or the Company as the case may be. Payment of the purchase money by the Company into a separate appropriate designated bank account shall be a good discharge to the Purchasing Members or the Company.
- (l) If any Member shall cease for any reason including but not limited to death and disqualification to be a Director of the Company or if any Member shall cease to be an employee of the Company a Transfer Notice shall be deemed to have been served upon the date of such ceasing to be a Director or employee in accordance with sub-clause (c) of this Article (save that such deemed Transfer Notice shall not be revocable by the sanction of the Director) in respect of his entire holding of Shares except that such Transfer Notice shall not be deemed to contain a Total Transfer Condition.
- (m) If any Member shall become bankrupt or make any arrangement or composition with his creditors or have a liquidator or receiver appointed or become of unsound mind or if while he is a patient within the meaning of the Mental Health Act 1983 an order shall be made in respect of his property under Section 95 of that Act a Transfer Notice shall be deemed to have been served on

the date of the happening of any such event in accordance with sub-clause (c) of this Article in respect of his entire holding of Shares except that such Transfer Notice shall not be deemed to contain a Total Transfer Condition.

(n) If a Member without serving a Transfer Notice should attempt to transfer, charge or otherwise dispose of Shares a Transfer Notice shall be deemed to be served upon the date that the Company receives notice of any such attempted transfer, charge or other disposal in accordance with paragraph (c) of this Article in respect of his entire holding of shares except that such Transfer Notice shall not be deemed to contain a Total Transfer Condition.

(o) The Deferred Shares shall not at any time from the date hereof be transferable.

#### NOTICE OF GENERAL MEETINGS

9. Every notice calling 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.

#### PROCEEDINGS AT GENERAL MEETINGS

10. No business shall be transacted at any meeting unless a quorum is present. A quorum shall consist of two persons entitled to vote upon the business to be transacted provided that if a quorum is not present within 30 minutes after the time appointed for the meeting the meeting shall be adjourned until two days later at the same time and place and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum.

11. It shall not be necessary to give any notice of an adjourned meeting and Clause 45 in Table A shall be construed accordingly.
12. A poll may be demanded by any Member present in person or by proxy and Clause 46 in Table A shall be modified accordingly.
13. The Deferred Shares do not entitle the holder to requisition, attend, or vote at any General Meeting of the Company.

#### DIRECTORS

14. Unless and until otherwise determined by the Company in General Meeting the number of Directors shall be not less than two nor more than five.
15. A Director need not hold any shares of the Company to qualify him as a Director.
16. Yates shall be entitled to have two people as directors ("Special Directors") of the Company as their representatives until such time as Yates cease to be shareholders in the Company.
17. Each Director's remuneration shall be determined by the Board unless otherwise determined by Ordinary Resolution of the Company and Clause 82 in Table A shall be modified accordingly.
18. If any Director shall be called upon to perform extra services or to make special exertions for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by a resolution passed at a Board Meeting of the Directors of the Company, and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled as a Director.

19. A Director may vote as a Director in regard to any contract or arrangement in which he is interested, or upon any matter arising thereout, and if he does so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration and Clause 94 in Table A shall be modified accordingly.
20. A Director shall not retire by rotation and Clauses 76, 77 and 78 in Table A shall be modified accordingly.
21. A Director appointed to fill a casual vacancy or as an addition to the Board shall not retire from office at the Annual General Meeting next following his appointment and Clause 79 in Table A shall be modified accordingly.
22. Without prejudice to the provisions of Section 303 of the Act, the Company may by Extraordinary Resolution remove any Director before the expiration of his term of office. The Company may by Ordinary Resolution appoint another person in place of the Director so removed.
23. No person shall be or become incapable of being appointed a Director by reason of his having attained the age of 70 or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no Director shall vacate his office at any time by reason of the fact that he has attained the age of 70 or any other age.
24. The Chairman of the Board shall be Peter Alan Dickson or as otherwise appointed by the unanimous consent of the Board or alternatively resolved by the holders of the Ordinary Shares. The Chairman shall have a casting vote at Board Meetings in addition to his vote as a Director.
25. The quorum for Board meetings shall be two directors of which at least one shall be a Special Director.

26. The office of a director shall be vacated if:-

- (a) ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director;
- (b) he becomes bankrupt or a receiving order is made against him or he makes any arrangement or composition with his creditors generally;
- (c) he becomes incapable by reason of mental disorder illness or injury of managing and administering his property and affairs and discharging his duties as a director;
- (d) he absents himself from attendance at meetings of directors without special leave of absence from the directors for a period in excess of six months, and they pass a resolution that he has by reason of such absence vacated office; or
- (e) by notice in writing to the Company he resigns his office.

#### PROCEEDINGS OF DIRECTORS

- 27. It shall be necessary to give notice of a meeting of Directors to a Director who is absent from the United Kingdom PROVIDED THAT such Director has furnished the Company Secretary with an address for service of such notice outside the United Kingdom.
- 28. A resolution in writing signed or approved by letter, telemessage, facsimile transmission or telex by all the directors for the time being entitled to receive notice of a meeting of directors shall be as effective as a resolution passed at a meeting of the directors duly convened and held and may consist of several documents in the same terms each signed or approved by one or more of the directors.

29. The Directors may conduct a meeting of the Board over the telephone or via a video conferencing facility subject to such meeting being called on reasonable notice PROVIDED THAT each Director is able to hear each other Director by means of a telephone or video conference facility and PROVIDED THAT no resolution shall be validly passed at such meeting unless it is passed by a majority of those Directors who are party to the meeting such majority to include a Special Director.

30. Alternate Directors

Each director shall have power by notice in writing under his hand (which shall take effect on the service thereof at the registered office of the Company) to nominate (1) any other director or (2) any person approved for that purpose by the directors such approval not to be unreasonably withheld refused or delayed, to act as his alternate, and at his discretion to remove such alternate director. On such appointment being made the alternate director shall be for all purposes counted as a director of the Company, and except as regards remuneration and the power to appoint an alternate, shall while so acting be entitled to exercise and discharge all the functions, powers and duties of the director whom he represents. Any director acting as alternate shall have an additional vote for each director for whom he acts as alternate but shall not be considered as two directors for the purpose of making a quorum of directors. An alternate director shall ipso facto cease to be an alternate director if his appointor ceases for any reason to be a director or on the happening of any event which if the alternate were a director would cause him to vacate such office. An alternate director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor. An appointment of an alternate shall not prejudice the right of the appointor to receive notice of and to attend and vote at meetings of the Board of directors.

#### NOTICES TO MEMBERS

31. (a) A notice may be given by the Company to any member either personally or by sending it by prepaid first class post, airmail, telemessage, facsimile transmission or telex to his registered address or to any other address within the United Kingdom supplied by him to the Company for the giving of notice to him. A properly addressed and prepaid notice sent by post shall be deemed to have been served at an address within the United Kingdom at the expiry of 48 hours after the notice is posted and, in the case of a notice served at an address outside the United Kingdom at the expiry of 10 days from the date of posting. Where a notice is given by telemessage, service of the same shall be deemed to be effected at the expiry of 24 hours after it is delivered by the Company to the relevant transmitting authority. Where a notice is given by telex, service of the same shall be deemed to be effected upon receipt of the appropriate answerback code at the end of the sender's copy of the telex. Where a notice is given by facsimile transmission, service of the same shall be deemed to be effected upon receipt of telephone or other confirmation of its receipt.
- (b) The Company shall not be obliged to serve notice upon any Member who has not provided an address for service within the United Kingdom and in the event of no such address being provided by a Member notice shall be deemed served upon that Member.

32. The Seal

If the Company has a seal it shall be used only with the authority of the Directors or of a committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director. The obligation under regulation 6 of Table A relating to the



sealing of share certificates shall only apply if the Company has a seal.

33. Indemnity

- (a) In addition to the indemnity contained in Regulation 118 of Table A and subject to the provisions of Section 310 of the Companies Act 1985, every director, agent, auditor, secretary, and other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities properly incurred by him in or about the execution and discharge of the duties of his office.
- (b) The directors may exercise all the powers of the Company to purchase and maintain policies of insurance providing insurance cover up to such limit or limits as the directors may decide for the directors or any of them and any other officer (including former directors and other officers) or auditor of the Company against liability for negligence or default, breach of duty or breach of trust or any other liability in relation to the affairs of the Company which may be lawfully insured against.