

COMPANY NUMBER: 3461641

THE COMPANIES ACT 1985

AND

THE COMPANIES ACT 1989

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS OF



CATERING PARTNERSHIP HOLDINGS LIMITED

Passed the 4 day of March 1998

At an Extraordinary General Meeting of the above named Company duly convened and held on  
4 March 1998 the following Resolutions were passed:-

**SPECIAL RESOLUTIONS**

1. THAT the authorised share capital of the Company be hereby increased by the creation of 949,900 Ordinary Shares of £1 each and 650,000 Redeemable "A" Preference Shares of £1 each all having the rights set out in the Articles of Association of the Company as proposed to be adopted by Resolution number 4 below.
2. THAT the directors are unconditionally authorised for the purposes of Section 80 of the Companies Act 1985 to allot and dispose of or grant options over the Company's shares to such persons, on such terms and in such manner as they think fit, up to a total issued share capital of the Company of £1,600,000 at any time during the period of five years from the date hereof.
3. THAT by virtue of Section 95(1) of the Companies Act 1985, Section 89(1) shall not apply to the allotment of shares pursuant to the authority conferred by Resolution number 2.
4. THAT the Articles of Association contained in the printed document produced to the meeting marked "A" and for the purpose of identification signed by the chairman thereof be and the same are approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company.

.....  
Chairman

Dated 4<sup>th</sup> March 1998

"A".

*Stachde*

The Companies Acts 1985 and 1989

Private Company Limited by Shares

ARTICLES OF ASSOCIATION OF

CATERING PARTNERSHIP  
HOLDINGS LIMITED

COMPANY NUMBER: 3461641



**THE COMPANIES ACT 1985**

**AND**

**THE COMPANIES ACT 1989**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**CATERING PARTNERSHIP HOLDINGS LIMITED**

**PRELIMINARY**

- 1 1.1 The Regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company save insofar as they are excluded or varied hereby, and such Regulations save as so excluded or varied together with the Articles hereinafter contained shall be the Articles of Association of the Company.
- 1.2 The following Regulations of Table A shall not apply to the Company, namely Regulations 3, 24, 41, 46, 48, 64, 67, 73, 74, 75, 80, 94, 95, 96, 97.

**INTERPRETATION**

- 2 In these articles:-
  - 2.1 The provisions as to the interpretation of Table A contained in Regulation 1 thereof shall apply to the interpretation of these Articles as they apply to the interpretation of Table A.
  - 2.2 "The Act" means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.
  - 2.3 "'A" Loan Notes" means the Loan Notes for an aggregate sum of £625,000 which the Company has agreed subject to contract to issue to Arthur Olding.
  - 2.4 "'AA" Loan Notes" means the loan notes for an aggregate sum of £25,000 which the Company has agreed subject to contract to issue to Pearl Olding.

## **SEAL**

- 3 Regulation 6 of Table A shall be modified so as to remove the reference to the Company seal.

Regulation 101 of Table A shall be modified by the insertion of the words ", if the Company has one," after the words "The seal" at the beginning of the Article.

## **PRIVATE COMPANY**

- 4 The Company is a private company and accordingly the Company shall not offer, allot or agree to allot any shares in or debentures of the Company to the public with a view to all or any of such shares or debentures being offered for sale to the public, and sections 58(3), 59 and 60 of the Act shall apply for the purposes of this Article as they apply for the purposes of the Act.

- 5 5.1 All unissued shares of the Company, whether forming part of the original or any increased capital, shall be under the control of the Directors who (subject to the provisions of Section 89 of the Act) may allot, grant options over, offer or otherwise deal with or dispose of them to such persons, including any Directors of the Company, at such times and on such terms and generally in such manner as they think fit but no shares shall be issued at a discount;

- 5.2 The Directors are hereby generally and unconditionally authorised to exercise the powers of the Company to allot relevant securities as defined in section 80 of the Act and are empowered to make offers or agreements which would or might require relevant securities as so defined to be allotted after the expiry of such authority;

- 5.3 Unless and until the authority conferred by article 5.2 above is revoked, renewed or varied:-

- 5.3.1 the maximum amount of relevant securities as so defined that may be allotted under such authority shall be the amount of unissued relevant securities in the capital of the Company at the date of the adoption of these Articles;

- 5.3.2 such authority shall expire on the fifth anniversary of the date of the adoption of these Articles.

## **SHARE CAPITAL**

- 6 The share capital of the Company is £1,600,000 divided into 950,000 Ordinary Shares of £1 each and 650,000 Redeemable "A" Preference Shares of £1 each.

- 7 7.1 The rights attaching to the respective class of Shares shall be as follows:-

#### 7.1.1 **Income**

The profits of the Company available for distribution shall be applied as follows:-

- (a) first in paying to the holders of the Redeemable "A" Preference Shares a fixed cumulative preferential net cash dividend ("the Preference Dividend") of 10 pence per annum on each share accruing from the date of subscription for such shares and payable calendar monthly in arrears on the last day of each month;
- (b) the balance of profits available for distribution shall be available to be paid to the holders of Ordinary Shares in respect of any financial year of the Company;
- (c) every dividend shall be distributed to the appropriate shareholders pro rata according to the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis;
- (d) unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the Preference Dividend shall (notwithstanding Regulations 102-108 inclusive contained in Table A or any other provision of these Articles and, in particular, notwithstanding that there has not been a recommendation of the Directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and payable in priority to any other dividend;
- (e) the Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time and to the extent that it may lawfully do so declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of any redemption monies due on the Redeemable "A" Preference Shares and/or the Preference Dividend.

#### 7.1.2 **Capital**

On a return of assets on liquidation or capital reduction or

otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied as follows:-

- (a) first in paying to the holders of the Redeemable "A" Preference Shares £1 per Share together with a sum equal to any arrears or accruals of the Preference Dividend calculated down to the date of the return of capital;
- (b) the balance of such assets shall be distributed amongst the holders of the Ordinary Shares in proportion to the amounts paid up or credited as paid up on the Ordinary Shares held by them.

#### 7.1.3 **Redemption**

- (a) Subject to the provisions of the Act the Redeemable "A" Preference Shares shall be redeemed in full on 31 December 2010 and any Share not redeemed upon the due date shall be redeemed forthwith upon redemption becoming permissible under the Act;
- (b) subject to the provisions of the Act, the Company may, provided that there are no arrears of dividend on the said shares, redeem all or, in instalments of not less than 10,000 shares some of the Redeemable "A" Preference Shares in advance of the due date for redemption;
- (c) on the dates fixed for any redemption the Company shall pay to each registered holder of Redeemable "A" Preference Shares the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled PROVIDED THAT if any certificate so surrendered includes any Shares not redeemable at that time the Company shall issue a fresh certificate for the balance of the Shares not redeemable to the holder. If there is more than one holder of a class of Shares due for redemption any redemption shall be made amongst such holders pro rata (as nearly as the case may be) to their respective holdings;
- (d) the Company shall pay on each of the Redeemable "A" Preference Shares so redeemed the sum of £1 and shall contemporaneously pay any arrears or accruals of the Preference Dividend calculated to the date of redemption

and in the absence of any direction to the contrary by the holder of the relevant shares any monies paid on redemption of such shares shall relate first to the said arrears and accruals of Preference Dividend. The Preference Dividend shall cease to accrue on the Shares so redeemed from the date of payment of the redemption monies.

- (e) notwithstanding the previous paragraphs of this Article 7.1.3 the Company shall use reasonable endeavours to redeem the Redeemable "A" Preference Shares as early as possible but always having regard to the commercial and financial circumstances and commitments of the Company.

#### **7.1.4 Voting**

- (a) Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative not being himself a member, shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by a representative or a by a proxy shall (except as hereinafter provided) have one vote for every share in the capital of the Company of which he is the holder;
- (b) the holders of the Redeemable "A" Preference Shares shall be entitled to receive notice of all general meetings and shall, on a poll, have seven votes for every Redeemable "A" Preference Share in the capital of the Company of which he is the holder.

### **8 Resolutions of the Company**

- 8.1 Notwithstanding the provisions of the Act and the voting rights in Article 7.1.4 no extraordinary or special resolution of the Company and no ordinary resolution of the Company resolving to increase the authorised share capital of the Company shall be passed unless and until supported and agreed in writing by the holders of the majority in value of the "A" Loan Notes and the "AA" Loan Notes (provided that in the case of the "AA" Loan Notes only they are then held by Arthur Olding or Pearl Olding or their respective personal representatives) (or as the case may be) by the holders of the majority of the Redeemable "A" Preference Shares;

- 8.2 At any time following three months after the date of issue of the Redeemable "A" Preference Shares the holders of Ordinary Shares in the capital of the Company shall vote in favour of such resolutions of the Company and such resolutions of the Ordinary Shareholders as a class of shareholders (except any resolutions of the Ordinary Shareholders as a class of shareholders which relate to the consolidation or sub-division of the Ordinary Shares (or any of them) or which relate to the voting rights, rights to dividend and the right to participate in the capital of the Company attaching to those Ordinary Shares) as they may be directed to in writing by the holders of the majority of the Redeemable "A" Preference Shares;
- 8.3 Unless and until the "A" Loan Notes and the "AA" Loan Notes have been repaid in full or all of the Redeemable "A" Preference Shares have been redeemed in full then without the prior written consent of the holders of the majority in value of the "A" Loan Notes and the "AA" Loan Notes (provided that in the case of the "AA" Loan Notes only they are then held by Arthur Olding or Pearl Olding or their respective personal representatives) or the holders of the majority of the Redeemable "A" Preference Shares and the prior written consent of the holders of the majority of the Ordinary Shares the Company shall not:-
- 8.3.1 pay to Harry Gadsden and members of his family between them aggregate dividends and/or emoluments (including inter alia remuneration, pension and the value of any benefit in kind) exceeding £100,000 in any calendar year;
  - 8.3.2 pay to Anthony Coombs and members of his family between them aggregate dividends and/or emoluments (including inter alia remuneration, pension and the value of any benefit in kind) exceeding £60,000 in any calendar year;
  - 8.3.3 enter into any transaction with Harry Gadsden, Anthony Coombs or any member(s) of their respective families or any persons or bodies associated or connected with them other than on commercial arm's length terms; or
  - 8.3.4 dispose of any material, asset or part of the business of the Company.
- 8.4 For the purposes of Article 8.3 the expression "members of a family" shall mean and include in respect of any person, any grandparent of that person, any issue of that grandparent (including step and adopted children) and any spouse, widow or widower of any such issue of such grandparent.
- 8.5 The Company shall not enter into any contract of employment, service agreement or other contract which cannot be terminated by less than three months notice in writing without the prior written consent of the holders of the

"A" Loan Notes and the "AA" Loan Notes (provided that in the case of the "AA" Loan Notes only they are then held by Arthur Olding or Pearl Olding or their respective personal representatives) not then repaid or (as the case may be) the holders of the Redeemable "A" Preference Shares then in issue.

### LIEN

- 9      9.1      The lien conferred by Regulation 8 of Table A shall also attach to:-
- 9.1.1      fully-paid shares; and
- 9.1.2      all shares whether fully-paid or not standing registered in the name of any person indebted or under liability (whether solely or jointly with others) 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 owing to the Company from him or his estate either alone or jointly with any other person, whether as a member or not and whether such monies are presently payable or not.

### TRANSFER OF SHARES

- 10      The transferor shall be deemed to remain as holder of any shares which have been or are to be transferred until the name of the transferee is entered in the Register of Members in respect thereof.
- 11      11.1      For the purposes of this Article 11:-
- 11.1.1      **"Person"** means any person, firm or company or other entity whether incorporated or unincorporated;
- 11.1.2      **"Prescribed Period"** means the period of two months commencing on the date of actual or deemed service of the relevant Transfer Notice;
- 11.1.3      **"Shares Offered"** means the shares the subject of a Transfer Notice;
- 11.1.4      **"Shareholders"** means those persons holding any class of shares in the Company at the relevant time other than the Transferor;
- 11.1.5      **"Transferor"** means any member seeking to transfer or transferring shares;
- 11.1.6      **"Transferee"** means any person to whom shares are transferred;
- 11.1.7      **"Transfer Notice"** means a notice given by a Transferor under

Article 11.3 or a deemed notice given pursuant to Article 11.8;

- 11.1.8 **"Transfer Price"** means the price per share of the Shares Offered and referred to in a Transfer Notice;
  - 11.1.9 **"Transfer Terms"** means the proposed terms of transfer referred to in a Transfer Notice; and
  - 11.1.10 **"Privileged Relation"** means the spouse of a member and a member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of a member's children.
- 11.2 Save as otherwise expressly provided in this Article 11, no shares or any interest therein shall be transferred, assigned, charged or otherwise disposed of:-
- 11.2.1 unless such transfer or disposal is to be of the whole legal and beneficial interest in the entire shareholding of the Transferor; and
  - 11.2.2 unless and until the following rights of pre-emption have been exhausted, and then only as permitted by Article 11.6.
- 11.3 Before transferring or disposing of any of his shares the Transferor shall give a Transfer Notice to the Company stating that he desires to transfer the same, the Transfer Price and the Transfer Terms. The Transfer Notice shall constitute the Company his agent for the sale of the whole legal and beneficial interest in the entire shareholding of the Transferor (together with all rights then attached to such shareholding) at the Transfer Price and on terms matching the Transfer Terms during the Prescribed Period to any Shareholder, and shall not be revocable except with the consent of all the Shareholders. On receipt of such Transfer Notice the Directors shall give written notice of receipt to the Shareholders.
- 11.4 All the Shares Offered shall within seven days of the date of receipt of the Transfer Notice be offered by the Company by notice in writing to all Shareholders, other than the Transferor, at the date of such notice for purchase at the Transfer Price on terms that in case of competition the Shares Offered shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any Shareholder beyond that applied for by him) to their existing holdings of shares. Such offer shall prescribe a time (being not less than 14 days nor greater than the Prescribed Period) within which it must be accepted or (in default of offers being received for all the Shares Offered) will lapse.
- 11.5 If the Company shall within the Prescribed Period find a Shareholder or Shareholders pursuant to Article 11.4 (hereinafter each called a "Purchaser")

willing to purchase all the Shares Offered, the Company shall forthwith give notice (hereinafter called an "Allocation Notice") of each relevant allocation to the Transferor and to the relevant Purchaser and shall specify in each such notice the number of Shares Offered allocated to such Purchaser, the Transfer Price of such Shares Offered, and the place and time (being not earlier than seven and not later than 14 days after the date of the Allocation Notice) at which the Transfer Price of such Shares Offered is to be paid by the Purchaser and such Shares Offered are to be transferred by the Transferor.

- 11.6 The Transferor shall be bound to transfer the Shares Offered comprised in an Allocation Notice to the Purchaser against tender of the Transfer Price in accordance with the terms of such Allocation Notice and, if the Transferor makes default in so doing, the Company may receive the purchase money and the Directors shall then authorise some person to execute a transfer of such Shares Offered on behalf of the Transferor in favour of the Purchaser, and shall cause the name of the Purchaser to be entered in the register of members of the Company as the holder of such Shares Offered, and the Company shall hold the purchase money upon trust for the Transferor. The receipt of the Company for the purchase money shall be a good discharge to the Purchaser and the validity of the proceedings shall not thereafter be questioned by any person. The Transferor shall in such case be bound to deliver up his certificates for such Shares Offered and on such delivery shall be entitled to receive the said purchase money without interest.
- 11.7 If the Company shall not within the Prescribed Period both find Shareholders willing to purchase all the Shares Offered pursuant to Article 5.4 and give notice in writing of such Purchasers to the Transferor, the Transferor shall be at liberty at any time thereafter up to the expiration of two months after the end of the Prescribed Period (but subject always to the provisions of Article 11.2) to transfer the whole legal and beneficial interest in the entire shareholding of the Transferor to a single transferee on a bona fide sale without any rebate or collateral advantage at any price being not less than the Transfer Price (after deducting where appropriate, any dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the Transferor) and on terms (other than as to price) no more favourable to the Transferee than the Transfer Terms.
- 11.8 If any member (being an individual) shall be declared bankrupt or (being a corporation) shall be liquidated or dissolved he or it shall be deemed to have served a Transfer Notice in respect of the whole legal and beneficial interest in the entire shareholding held by him or it as at the date of any such event as aforesaid in accordance with Article 11.9 ("the Deemed Transfer Date") and any sums received by the Company pursuant to the transfer of any such shares shall be paid to the person who would but for this provision have been entitled to the said shares on the bankruptcy, liquidation or dissolution of such member.
- 11.9 If in accordance with any provision of these Articles a member is deemed to

have served a Transfer Notice then the Transfer Price for the shares the subject thereof shall be such sum per share as shall be agreed between the potential recipients of the Transfer Price and the Directors or failing agreement within seven days of a request to agree such sum as shall be determined by the auditors of the Company (acting as experts and not as arbitrators) as being the fair market price per share as between a willing buyer and a willing seller at the Deemed Transfer Date but disregarding the fact that the shares being sold represent only part of the issued share capital of the Company.

- 11.10 For the purpose of ensuring that a transfer of shares is permitted under this Article 11 or that no circumstances have arisen whereby a Transfer Notice should have been given hereunder a majority of the Directors may from time to time require any member, or any person named as transferee in any transfer lodged for registration, to furnish to the Company such information and evidence as they may reasonably think fit regarding any matter relevant to such purpose. If such information or evidence is not furnished to the reasonable satisfaction of such Directors within a reasonable time, the Directors shall not register a transfer so lodged.
- 11.11 The Directors shall, subject to its being properly stamped, forthwith register any transfer to which all the members for the time being of the Company shall have assented in writing or which is effected pursuant to the provisions of this Article 11, and shall not register any transfer which does not comply with the provisions of this Article 11, whether or not it is of fully-paid shares. Regulation 24 of Table A shall be modified accordingly.
- 11.12 Subject to Articles 11.14 and 11.15 but notwithstanding any other provision in these Articles any member may at any time transfer all or any part of the shares held by him to a Privileged Relation of that member Provided that if any such Transferee ceases to be a Privileged Relation of the relevant member (save as a result of the death of the relevant member) such Transferee shall forthwith transfer the relevant shares back to the relevant member.
- 11.13 Upon a Transferor serving a Transfer Notice in respect of his shares pursuant to Articles 11.3 or 11.8 Transfer Notices shall be deemed to have been served in respect of all shares then held by the Transferor's Privileged Relations.
- 11.14 Notwithstanding the provisions of this clause 11 but subject to Article 11.15, the holders of the Ordinary Shares shall be entitled to transfer those shares (subject to the provisions of the Act) but only with the prior written consent of the holders of the "A" Loan Notes and the "AA" Loan Notes (provided that in the case of the "AA" Loan Notes only they are then held by Arthur Olding or Pearl Olding or their respective personal representatives) then outstanding or (as the case may be) the holders of the Redeemable "A" Preference Shares then in issue such consent not to be unreasonably withheld or delayed where:-
- 11.14.1 it is a transfer of the entire holding of Ordinary Shares of that

person;

- 11.14.2 all of the "A" Loan Notes and "AA" Loan Notes then (provided the same are held by Pearl Olding Arthur Olding or their respective personal representatives) outstanding together with all interest and arrears of interest thereon due at the transfer date have been repaid or are repaid at the same time as such transfer; and
  - 11.14.3 at the same time as acquiring such Ordinary Shares the purchaser thereof acquires all of the Redeemable "A" Preference Shares then in issue (if any) at a price equal to the amount which would be paid to the holder thereof to redeem such shares pursuant to Article 7.1.3(d).
- 11.15 Harry Gadsden and/or Alison Gadsden shall be entitled to transfer any Ordinary Shares registered in his or her name to the other of them at any time without obtaining the prior consent of any third party.

## 12 Conversion of Loan Notes

- 12.1 The holders of the "A" Loan Notes or the "AA" Loan Notes may, by notice in writing to the Company (the "Conversion Notice"), convert the par value of all of their Loan Notes not repaid at the date of such notice into Redeemable "A" Preference Shares the same aggregate par value respectively if at any time the "A" Loan Notes or the "AA" Loan Notes or part of them have not been repaid in full together with all interest due thereon by their respective due date or the principal sum together with unpaid interest becomes immediately payable pursuant to the terms thereof;
- 12.2 As soon as possible following receipt of a Conversion Notice the Directors of the Company and the Ordinary Shareholders shall take such steps as may be reasonably necessary in order to issue to and register the person serving the Conversion Notice as the holder of the relevant number of Redeemable "A" Preference Shares and shall issue to that person a certificate in respect of the Shares issued to him;
- 12.3 A Conversion Notice shall not be revocable except with the written consent of the holders of the majority of Ordinary Shares.
- 12.4 Notwithstanding the provisions of this Article 12 any unpaid interest due under the said "A" Loan Notes or "AA" Loan Notes at the date of their conversion shall remain due upon demand.
- 12.5 If the right to serve a Conversion Notice has arisen the right of the holder of the relevant "A" Loan Note or "AA" Loan Note to do so shall not be prejudiced or restricted by any delay on his part in serving the relevant Conversion Notice.

## **PROCEEDINGS AT GENERAL MEETINGS**

- 13 13.1 If the quorum prescribed by Regulation 40 of Table A is not present within half an hour from the time appointed for the meeting the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine.
- 13.2 If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting then the meeting shall be dissolved.
- 14 14.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded.
- 14.2 A poll may be demanded:-
  - 14.2.1 by the Chairman; or
  - 14.2.2 by a member (present in person or by proxy) having the right to attend and vote at the meeting; or
  - 14.2.3 by a duly authorised representative of a corporation.
- 14.3 The demand for a poll may, before the poll is taken, be withdrawn.
- 14.4 A demand so withdrawn shall not be taken to have invalidated the result of a vote on a show of hands declared before the demand was made.
- 15 On a show of hands or on a poll votes may be given either personally or by proxy.
- 16 A resolution in writing executed pursuant to Regulation 53 of Table A and which is expressed to be an ordinary resolution, a special resolution or an extraordinary resolution shall have effect accordingly.
- 17 Any member who is entitled to participate in a general meeting or at any separate meeting of the holders of any class of shares in the Company may participate in such meeting by means of a conference telephone or other means of telephonic, radio or televisual communication whereby all the persons participating in the meeting can hear each other and any member participating in such a meeting by such means shall be deemed to be present in person at such meeting.

## **VOTES OF MEMBERS**

- 18 There shall be inserted the words "Unless the Directors otherwise determine" before the words "No member shall" in Regulation 57 of Table A which shall be modified accordingly in its application to the Company.

- 19 19.1 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:-

19.1.1 be deposited at the office or at such other place within the United Kingdom and at such time as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting; or

19.1.2 notwithstanding any provision to the contrary in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, be deposited with the Chairman 30 minutes before the commencement of the meeting or adjourned meeting

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

- 19.2 Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment thereof.

#### **NUMBER OF DIRECTORS**

- 20 20.1 Unless otherwise determined by the Company in general meeting, the maximum number of Directors shall be two, one of whom shall be Harry Gadsden or the person appointed as a Director pursuant to Article 23.2, but need not exceed one.

- 20.2 If and so long as there is a sole Director he may exercise all the powers and authorities vested in the Directors by these Articles and by Table A and Regulations 88 to 90 of Table A shall not apply to the Company.

#### **ALTERNATE DIRECTORS**

- 21 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director.

#### **POWERS OF DIRECTORS**

- 22 In addition to and without prejudice to the generality of the powers conferred by Regulation 70 of Table A the Directors may exercise all the powers of the Company to borrow and to mortgage or charge all the undertaking and property of the Company including the uncalled capital or any part thereof, and to issue debentures, loan notes, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

## **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 23     23.1     Regulation 81 of Table A shall be amended by substituting the following for paragraph (c):-
- "(c)     he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director;"
- 23.2     The holders of the majority of the Redeemable "A" Preference Shares may, by written notice delivered to the Company, remove Harry Gadsden as a director of the Company who shall have no claim for compensation for loss of office as a director of the Company and may appoint a person to be a director in place of the said Harry Gadsden. The holders of the Redeemable "A" Preference Shares may from time to time by notice in writing delivered to the Company remove the Director so appointed by them and appoint another person in his place.
- 23.3     While any "A" Loan Notes or "AA" Loan Notes have not been repaid or any Redeemable "A" Preference Shares are in issue the said Harry Gadsden shall not cease to be a Director (unless required so to do by law or pursuant to these Articles) and no person shall be appointed as a Director without the prior written consent of the holders of the "A" Loan Notes and the "AA" Loan Notes (provided that in the case of the "AA" Loan Notes only they are then held by Arthur Olding or Pearl Olding or their respective personal representatives) which have not then been repaid or the Redeemable "A" Preference Shares in issue (such consent not to be unreasonably withheld or delayed).
- 23.4     In Article 23 the expression "Harry Gadsden" shall mean Harry Gadsden himself or, if he ceases to be a Director, the person first approved in writing pursuant to Article 23.3 and appointed as a Director in his place from time to time.
- 23.5     Articles 23.2, 23.3 and 23.4 shall cease to apply when all of the "A" Loan Notes and "AA" Loan Notes and interest due thereon have been repaid and all (if any) Redeemable "A" Preference Shares have been duly redeemed.

## **PROCEEDINGS OF DIRECTORS**

- 24     The words "and unless so fixed at any other number shall be two" shall be omitted from Regulation 89 of Table A in its application to the Company.
- 25     For the purposes of Regulation 93 of Table A, the consent of a Director or an alternate Director to a resolution may also be given by giving notice of his approval to the Company by letter, telex, cable, facsimile, e-mail or other similar means.
- 26     A Director who is in any way, whether directly or indirectly, interested in a contract (which in this Article shall be construed as including any transaction or arrangement,

whether or not constituting a contract) or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 317 of the Act. Subject to such disclosure a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning any contract or arrangement in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company and if he does so vote his vote shall be counted and he shall be counted in ascertaining whether a quorum is present at any meeting at which any such contract or proposed contract shall come before the Directors or a committee of Directors for consideration.

- 27 Any Director who is entitled to participate in a meeting of the Board of Directors or a committee of the Board of Directors may participate in such meeting by means of a conference telephone or other means of telephonic, radio or televisual communication whereby all the persons participating in the meeting can hear each other and any Director participating in such a meeting by such means shall be deemed to be present in person at such meeting.

### **NOTICES**

- 28 Any notice required by these Articles to be given by the Company may be given by any visible form on paper, including telex, facsimile and electronic mail. A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 of Table A shall be amended accordingly.

### **INDEMNITY**

- 29 In addition to the indemnity conferred by Regulation 118 of Table A and subject to the provisions of the Act, every such person as is mentioned in the said Regulation shall be entitled to be indemnified out of the assets of the Company against all expenses, losses or liabilities incurred by him as agent of the Company or for the Company's benefit or intended benefit or in or about the discharge or intended discharge of his duties in relation to the Company.