

# 27 - 12 - 96

Edinburgh International Conference Centre Limited

No. SC131773

The following is certified as a true copy of the Written Resolution of the Company passed on 18th December 1996 by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being a corporation by its duly authorised representative) passed as a Special Resolution in accordance with Regulation 53 of Table A of the Companies (Tables A-F) Regulations 1985 forming part of the Articles of Association of the Company:-

It was resolved that:-

- 1 (a) the unissued "A" Redeemable Preference Share of £0.01, having been redeemed, is cancelled, that 1 of the existing unissued Preferred Ordinary Shares of £1 each in the capital of the Company be and is hereby re-designated as a Special Share of £1 and that the authorised share capital of the Company is therefore £55,001,000.01 divided into 1 "B" Redeemable Preference Share of £0.01, 980 Ordinary Shares of £1 each, 10 RBL Shares of £1 each, 10 Preference Shares of £1 each, 54,999,999 Preferred Ordinary Shares of £1 each and 1 Special Share of £1 having the rights and privileges and being subject to the restrictions contained in the Articles of Association of the Company adopted by paragraph (b) of this Resolution;
- (b) the Regulations contained in the document annexed hereto and for the purposes of identification signed as relative to this Resolution by the Chairman, be and are hereby approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company; and
- (b) the Loan Stock Instrument (the "Instrument") dated 27th March 1992 by the Company relating to £55m Convertible Unsecured Loan Stock 2117 be varied in the following terms:-
  - (i) a new paragraph 3 be added to the Instrument to read "The Company has by Special Resolution of the Stockholders removed the convertibility of £9,702,351.34 of the £55m Convertible Unsecured Loan Stock 2117 which



COMPANYWATSO-INRCDICRHS 18 December 1996

remain unissued as at 17th December 1996 ("the Non Convertible Unsecured Loan Stock");

- (ii) there shall be a new definition added into Clause 1.1 after the definition of "Business Day" to read:-

"Convertible Stock" shall mean £45,297,608.66 Convertible Unsecured Loan Stock 2117 of the Company issued as at 17th December 1996;" and

"Convertible Stockholders" shall mean the person(s) whose name(s) is/are entered in the Register as holder(s) of the Convertible Stock";

- (iii) the definition of "Conversion Rights" in Clause 1.1 shall be amended by the addition of the word "Convertible" before the words "Stockholders" and "Stock";

- (iv) the following new definitions will be inserted in Clause 1.1 following the definition of "Instrument":-

"Non Convertible Stock" shall mean £9,702,351.34 Non Convertible Unsecured Loan Stock of the Company or, as the case may be, the amount thereof from time to time and for the time being issued and outstanding; and

"Non Convertible Stockholders" shall mean the person(s) whose name(s) is/are entered in the Register as the holder(s) of the Non Convertible Stock;

- (v) the definition of "Stock" in Clause 1.1 shall be deleted and the following definition shall be inserted:-

"Stock" shall mean the Convertible Stock and the Non Convertible Stock; and"

- (vi) Clause 2 of the Instrument shall be amended by the addition of the words "Non Convertible" after the word "The" at the beginning of the paragraph, and the addition of the words "The City of Edinburgh Council, the successor to" after the word "to" in line 1 and the word "between" in line 6.
- (vii) Clause 9.1.2 of the Instrument be amended by the addition of the word "Convertible" before the word "Stockholder" in line 6 and the addition of the word "Convertible" before the word "Stock" in line 9.
- (viii) Clauses 9.2, 9.3 and 9.4 of the Instrument be amended by the addition of the word "Convertible" before every reference to either "Stockholder" or "Stock".
- (ix) Clause 11.1 of the Instrument be amended by the deletion of the first five lines thereof and the substitution of the following:-

"At the option of each of the Convertible Stockholders exercisable by notice in writing to the Company, the Convertible Stock shall be repaid or converted into Preferred Shares on the basis of the Conversion Rate (as defined in sub-clause 9.2) and at the option of each of the Non Convertible Stockholders exercisable by notice in writing to the Company, the Non Convertible Stock shall be repaid, in each case upon the occurrence of any of the following events:-"

- (x) Clause 15 of the Instrument be amended by the addition of the word "Convertible" before the word "Stockholders" in line 4 and the addition of the words "and a Special Resolution of the Non Convertible Stockholders" after the word "Stockholders" in line 4.
- (xi) The Schedule of the Instrument shall be amended by the deletion of the words "£55m Convertible" and the addition of the following words:

"[£            Convertible/£            Non Convertible]" and the addition of a square bracket before the word "Convertible" in the paragraph beginning "This is to

certify" followed by the insertion of "[Non Convertible]" after the word "Convertible" and the insertion of square brackets around note 3 to the Schedule."

*Giff Macpherson for  
Ad. Secretaries Ltd*

Director/Secretary

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This document contains a print of the Memorandum and new Articles of Association of  
Edinburgh International Conference Centre Limited as amended and adopted by Special  
Resolution passed on 18 December 1996.

*Angus Macpherson for*  
*his Secretary*  
Director/Secretary

THE COMPANIES ACT 1985 TO 1989

COMPANY LIMITED BY SHARES

COMPANY NO: SC131773

MEMORANDUM

and

NEW ARTICLES OF ASSOCIATION

of

EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED

(Incorporated 13th May 1991)

McGrigor Donald  
Solicitors  
Erskine House  
68/73 Queen Street  
EDINBURGH  
EH2 4NF

*B.*



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THE COMPANIES ACT 1985 TO 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED

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1. The Company's name is "EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED".
  2. The Company's registered office is to be situated in Scotland.
  3. The Company's objects are:-
    - (1) (i) To acquire by purchase, lease, exchange or otherwise for development, investment or resale and to traffic in land and house and other property of any tenure or any interest therein, and to create, reserve, sell and deal in heritable and leasehold ground rents, and to make advances upon the security of land or house or other property or any interest therein, and whether created or in course of creation, and whether on first mortgage or subject to a prior mortgage or mortgages, and generally to deal in, traffic by way of sale, lease, exchange or otherwise with land and house property and any other property (whether heritable, moveable, real or personal) and to turn the same to account as may seem expedient, and in particular by laying out streets, roads and squares, constructing sewers and draining, planting, paving and preparing building sites, and by constructing, reconstructing, altering, repairing, improving, decorating, furnishing and maintaining houses, flats, bungalows, offices, factories, warehouses, wharves, workshops, hotels, shops, bus stances, garages, leisure centres, conference centres, buildings, works and conveniences of all kinds, and by consolidating or connecting or subdividing properties and by issuing and disposing of the same, and by advancing money to and entering into contracts with builders, tenants and others, and to manage and develop any land, buildings or other property as aforesaid, whether

belonging to the Company or not, and to collect rents and income, and to supply to tenants and occupiers catering and other services, and all conveniences and amenities commonly required therewith, to acquire and take over businesses or undertakings of all kinds, and to carry on, or dispose of, remove or put an end to the same or otherwise deal with the same as may seem expedient, and to carry on all or any of the businesses of building and civil engineering contractors, land, estate and property developers, repairers and others, estate agents and managers, mortgage and insurance brokers and agents, surveyors, valuers and auctioneers, builder's merchants, plant hire specialists and contractors, merchants of, and dealers in plant, machinery, vehicles and appliances of all kinds, painters, decorators and plumbers, haulage and transport contractors, electricians and general engineers;

- (ii) To carry on business as providers of buildings or facilities for the promotion, organisation, staging, production or performance of every kind of exhibition, show, display, trade or other fair, rally, conference, spectacle, entertainment, amusement, recreation and sporting and other event and to hire, let out or otherwise permit the use of the property of the Company upon such terms as the Directors of the Company shall think fit for any purpose, whether public or private;
  - (iii) To act as promoters and organisers of every kind of exhibition, show, display, trade or other fair, rally, conference, spectacle, entertainment, amusement, recreation and sporting and other event and to provide all kinds of conveniences and attractions for exhibition organisers, participants, exhibitors, spectators, visitors and others;
  - (iv) To carry on business as proprietors of hotels, restaurants, refreshment and tea rooms, cafes, milk and snack bars, lounge bars and other premises licensed to dispense alcoholic beverages, and as caterers and contractors for the provision of every need or want;<sup>2</sup>
- (2) To carry on any other trade, business or profession which may seem to the Company capable of being conveniently carried on in connection with the above or calculated, directly or indirectly, to benefit or to enhance the value of or render profitable any of

the property, assets, rights or interests of the Company or any subsidiary associated or allied company or person;

- (3) To purchase, feu, lease, hire or otherwise acquire any lands, houses, buildings, offices, plant and machinery and other heritable or moveable, real or personal property and any rights or privileges necessary or convenient for the purposes of the Company or any subsidiary, associated or allied company or person and to erect, construct, lay down, enlarge, alter and maintain any heritable and/or freehold and/or leasehold property necessary or convenient for the business of the Company or any subsidiary, associated or allied company or person;
- (4) To borrow or raise money or secure the payment of money or the observance of obligations in such manner as the Directors shall think fit and for such purposes to mortgage or otherwise charge, by way of standard security or floating charge or otherwise, the undertaking and all or any of the Company's property, both present and future, including its uncalled capital, and to create, issue, make, draw, accept and negotiate perpetual or redeemable debentures or debenture stock, bonds or other obligations, bills of exchange, promissory notes or other negotiable instruments;
- (5) To lend or advance money or give credit to such persons and companies and on such terms as may be thought fit and to guarantee and/or give security for the payment of money by, or the performance of obligations of any kind (including without prejudice to the generality hereof the payment or repayment of principal, interest, dividends and premiums on, and any other monies due in respect of, any stocks, shares, debentures, debenture stock or other securities or borrowings) by, the Company or by any other person or company, including any company which shall at the time be the holding company of the Company or another subsidiary of such holding company or a subsidiary of the Company (all as defined by Section 736 of the Companies Act 1985 and any statutory amendment or re-enactment thereof) or any company associated with the Company in business or by reason of common shareholdings or otherwise;
- (6) To invest and deal with the funds of the Company not immediately required in such investments or upon such securities and in such manner as may be from time to time determined and from time to time to vary any such investments and to acquire and hold shares, stocks, debentures, debenture stocks, bonds, securities, obligations or



other investments, rights or interests of or in any company or companies or public, local or regional authority or body in the United Kingdom or elsewhere and to co-ordinate, finance and manage all or part of the business and operations of any such company to establish trusts of any kind and on such terms and to contribute or arrange for the contribution to any such trust of all or any of the assets of the Company, all as the Company may consider to be appropriate or desirable for the business of the Company;<sup>3</sup>

- (7) To apply for, purchase or otherwise acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, brevets d'invention, licences, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire;
- (8) To acquire all or any part of the undertaking, property, business or assets of any person or company possessed of property suitable for any of the purposes of the Company or carrying on or proposing to carry on any business which the Company is authorised to carry on and, as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person or company or to acquire an interest in, amalgamate or enter into partnership or joint adventures or arrangements regarding the sharing of profits, union of interests or co-operation, either in whole or in part, with any such person or company and to give or accept, by way of consideration for any of such acts or things or for any property acquired, any shares, stock, debentures, debenture stock or securities that may be agreed upon and to hold as investments of the Company or otherwise deal with as may be considered fit any shares, stock, debentures, debenture stock or securities so received;
- (9) To promote or establish or concur in promoting or establishing any other company for the purpose of purchasing or taking over all or any of the properties, rights and liabilities of the Company or carrying on any business or operations which the Company is authorised to carry on or for any other purpose which may, directly or indirectly, benefit or advance the objects or interests of the Company and to acquire and hold as investments of the Company or otherwise deal with as may be considered

fit any shares, stock, debentures, debenture stock or securities of any such company:

- (10) To amalgamate or enter into partnership or joint adventure with any person or company carrying on any business or having any objects similar to any of the businesses or objects of the Company or which may, directly or indirectly, benefit or advance the objects or interests of the Company and to make and carry into effect arrangements regarding the provision of services, the purchase or sale of commodities and the prices thereof, the employment, regulation and remuneration of employees and the sharing of profits, union of interests or co-operation, either in whole or in part, with any such person or company and that in such manner and on such terms and conditions as may be considered to be for the benefit of the Company;
- (11) 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 in the employment or service of, or shall have rendered services of any kind to, the Company or any company which is the holding company or a subsidiary of the Company or such holding company or is allied to or associated with the Company or with any such holding company or subsidiary or which was a predecessor in business of the Company or of any such other company as aforesaid or who are or were at any time directors or officers of the Company or of any such other company as aforesaid or any person in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and to or for the benefit of the wives, widows, families and dependants of any such persons, to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, to make payments for or towards the insurance of any such persons as aforesaid and to subscribe or guarantee money for any charitable or benevolent objects or for any exhibition or for any public, general or useful object and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid provided that without the previous sanction of an Ordinary Resolution of the Company the foregoing power shall not be exercised in favour of any person who is or was a director of the Company or of any such other company as aforesaid but who does not hold or has not held any salaried employment

or office in the Company or in any such other company as aforesaid or in favour of the wife, widow, family or dependants of any such person;

- (12) To sell or otherwise dispose of the whole or any part of the undertaking, property and assets of the Company either together or in portions for such consideration as the Company may think fit and in particular for shares, debentures, debenture stock or securities of any company purchasing the same;
- (13) Subject to the provisions of the Companies Act 1985 and any statutory amendment or re-enactment thereof to purchase its own shares (including any redeemable shares) and, provided it remains as a private company, to make a payment in respect of the redemption or purchase of its own shares otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares;
- (14) To give financial assistance within the meaning of Section 152 of the Companies Act 1985 and any statutory amendment or re-enactment thereof in connection with any acquisition or proposed acquisition of shares in the Company to such person or persons and on such terms as the directors may think fit;
- (15) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or Auditors of the Company or of any other company which is its holding company or in which the Company or such holding company or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund and to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from any such liability; for the purposes of this paragraph "subsidiary undertaking" shall

have the same meaning as in the Companies Act 1989.<sup>4</sup>

- (16) To do all or any of the above things in any part of the world and either as principals, agents or contractors or by or through agencies or otherwise and either alone or in conjunction with another or others; and
- (17) To do all things incidental or conducive to the attainment of the foregoing objects or any of them.

And it is hereby declared that in this Memorandum words denoting the singular number only shall include the plural number and vice versa; that the word "company" except where used in reference to the Company shall be deemed to include any partnership or other body of persons whether incorporated or unincorporated and whether domiciled in Great Britain or elsewhere; that any word or expression defined in the Companies Act 1985 and any statutory modification or re-enactment thereof shall, if not inconsistent with the subjects or context, bear the same meaning in this Memorandum; and that the objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall be in no way limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

- 4. The liability of the Members is limited.
- 5. The Company's share capital is £55,001,000.01 divided into one "B" Redeemable Preference Share of 1p, 980 Ordinary Shares of £1 each, 10 RBL Ordinary Shares of £1 each, 10 Preference Shares of £1 each, 49,999,999 Preferred Ordinary Shares of £1 each and 1 Special Share of £1.<sup>5</sup>

Notes:

- 1. The Company was incorporated on 13 May 1991 as Pacific Shelf 406 Limited. It changed its name to Edinburgh International Conference Centre Limited pursuant to Special Resolution passed on 17 October 1991 and Certificate of Incorporation on Change of Name dated 19 November 1991.
- 2. As amended by Special Resolution passed on 17 October 1991.

3. As amended by Special Resolution passed on 29 November 1995.
4. As inserted by Special Resolution passed on 17 October 1991.
5. The Company was incorporated with a share capital of £1,000 divided into 1000 Shares of £1 each. The share capital was amended as follows:-
  - (a) Pursuant to Special Resolution passed on 27 March 1992 the existing 1000 Shares of £1 each were re-classified as Ordinary Shares of £1 each and the authorised share capital of the Company was increased to £55,001,000.02 by the creation of one "A" Redeemable Preference Share of 1p, one "B" Redeemable Preference Share of 1p and 55,000,000 Preferred Ordinary Shares of £1 each.
  - (b) Pursuant to Special Resolution passed on 29 November 1995, 10 of the existing unissued Ordinary Shares of £1 each were re-classified as 10 RBL Ordinary Shares of £1 each and 10 of the existing unissued Ordinary Shares of £1 were re-classified as 10 Preference Shares of £1 each.
  - (c) Pursuant to Special Resolution passed on 18 December 1996, the authorised share capital of the Company was decreased to £55,001,000.01 following redemption of the "A" Redeemable Preference Share of 1p and 1 of the unissued Preferred Ordinary Shares of £1 each was re-designated as a Special Share of £1.

# 27-12-96

THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

of

EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED  
(adopted by Special Resolution passed on 18 December 1996)

## PRELIMINARY

### 1. Application of Statutory Provisions

- 1.1 The Regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 as amended by The Companies (Tables A to F) (Amendment) Regulations 1985 (which Table is hereinafter referred to as "Table A") shall, save insofar as they are excluded by or inconsistent with the foregoing provisions, apply to the Company.
- 1.2 Regulations 40, 42, 43, 46, 64, 73, 74, 75, 76, 77, 94, 95, 96 and 101 of Table A shall not apply to the Company.

### 2. Definitions

In these Articles, if not inconsistent with the subject or context, the words in the first column below have the meanings set opposite them in the second column:-

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Words	Meanings
"Act"	the Companies Act 1985 as amended, modified or re-enacted from time to time
"Articles"	these Articles of Association of the Company
"Associate"	in relation to a company, any company which for the time being and from time to time is a holding company of such company or in relation to a company or CEC a subsidiary of any such company or CEC (including any subsidiary of such subsidiary company) and, in addition, any fellow subsidiary
"B" Shareholder	the holder of the "B" Share (as defined in Article 4)
"CEC"	The City of Edinburgh Council, the local Authority for the said City under the Local Government etc (Scotland) Act 1994 as statutory successor to the City of Edinburgh District Council and Lothian Regional Council and having its Principal Offices at the City Chambers, High Street, Edinburgh and any statutory successor
"CEC Directors"	the Directors of the Company as defined in Article 17 (which for the avoidance of doubt shall include any alternate of a CEC Director)
"LEEL"	Lothian and Edinburgh Enterprise Limited, incorporated under the Companies Acts (registered number 124701) and having its Registered Office at Apex House, 99 Haymarket Terrace, Edinburgh, EH12 5HD
"Preference Shareholder"	a holder of Preference Shares (as defined in Article 4)
"RBL"	Royal Bank Leasing Limited having its registered office at 42 St Andrew Square, Edinburgh, EH2 2YE

"RBL Shareholder"	a holder of RBL Shares (as defined in Article 4)
"the Statutes"	the Act and every other Act for the time being in force concerning companies and affecting the Company
"Special Director"	the Director of the Company as defined in Article 15 (which for the avoidance of doubt shall include any alternate of the Special Director)
"Special Shareholder"	the holder of the Special Share (as defined in Article 4)

## PRIVATE COMPANY

### 3. Private Company

The Company is a private company and accordingly no invitation shall be made to the public to subscribe for any shares or debentures of the Company.

## SHARE CAPITAL

### 4.1 Share Capital

The share capital of the Company at the date of adoption of these Articles as the Articles of Association of the Company is £55,001,000.01 divided into:-

- 4.1.1 1 "B" Redeemable Preference Share of 1p (hereinafter referred to as the "B" "Share");
- 4.1.2 1 Special Share of £1 (hereinafter referred to as the "Special Share");
- 4.1.3 980 Ordinary Shares of £1 each (hereinafter referred to as "Ordinary Shares");
- 4.1.4 10 RBL Ordinary Shares of £1 each (hereinafter referred to as "RBL Shares");



4.1.5 10 Preference Shares of £1 each (hereinafter referred to as "Preference Shares"); and

4.1.6 54,999,999 Preferred Ordinary Shares of £1 each (hereinafter referred to as "Preferred Shares").

**4.2 Classes and rights of "B" Share, Special Share, Ordinary Shares, RBL Shares, Preference Shares and Preferred Shares**

The "B" Share, Special Share, Ordinary Shares, RBL Shares, Preference Shares and the Preferred Shares shall be separate classes of shares.

**"B" SHARE**

**5.1 Issue, Holding and Transfer**

The "B" Share may only be issued to, held by and transferred to either CEC or an Associate of CEC.

**5.2 Variation of rights of the "B" Share**

Notwithstanding any provision in these Articles to the contrary, each of the following matters shall be deemed to be a variation of the rights attaching to the "B" Share and shall accordingly be effective only with the consent in writing of the "B" Shareholder and without such consent shall not be done or caused to be done:-

5.2.1 the alteration, increase or reduction of the authorised or issued share capital of the Company or of any subsidiary of the Company (including the subdivision or consolidation of any share), or by any variation of the rights, privileges or restrictions attaching to the "B" Share and the Ordinary Shares and the Preferred Shares for the time being in the share capital of the Company or in any shares in the share capital of any subsidiary of the Company;

5.2.2 the alteration to or modification of the rights, privileges or restrictions attaching to any class of share in the share capital of the Company or any of its subsidiaries;

- 5.2.3 the Company making or paying any dividend (including an interim dividend) to the holders of Ordinary Shares or of RBL Shares or of Preferred Shares or making any other capital or revenue distribution (including any deemed distribution) other than a distribution of capital to the holder of the "B" Share;
- 5.2.4 capitalising any profits of the Company or capitalising any sums standing at credit of the share premium account or capital redemption reserve or other reserve of the Company;
- 5.2.5 the sale, disposal or transfer of any share (other than a "B" Share in accordance with these Articles) in the share capital of the Company;
- 5.2.6 the entering into of a contract by the Company to purchase any of its shares or the passing of a resolution to approve such a contract;
- 5.2.7 the giving to the Directors of the Company of any authority to allot relevant securities for the purposes of Section 80 of the Act (except insofar as any such authority is contained in these Articles);
- 5.2.8 any alteration to the Memorandum and/or Articles of Association of the Company or the adoption of new Articles of Association by the Company;
- 5.2.9 notwithstanding any other provision of these Articles, the calling of a meeting of the Company for the purpose of, or inter alia for the purpose of, considering a resolution for the winding up of the Company or considering a resolution for the appointment of an administrator of the Company or the making of a voluntary arrangement in respect of the Company;
- 5.2.10 the Company ceasing to trade;
- 5.2.11 the calling of a meeting of the Company for the purpose of effecting or improving any matter which would by virtue of this Article 5 be a variation of the rights attaching to the "B" Share;
- 5.2.12 the creation or issue of any debenture or loan stock of the Company which is or may

become convertible into shares of the Company; and

5.2.13 without prejudice to any of Articles 5.2.1 to 5.2.12 (inclusive), the passing of a Special or an Ordinary Resolution.

## 5.3 Entitlement to Receive Notice

The "B" Shareholder shall be entitled to receive notice of, and to attend and speak at, any general meeting or any separate meeting of the holders of any class of shares, but the "B" Share shall carry no right to vote nor any other rights at any such meeting but shall be entitled to receive a copy of each resolution passed at any such meeting within seven days of the passing of such resolution. The "B" Shareholder shall also be entitled to receive a copy of each resolution which is proposed to be passed as a written resolution and each circular sent by the Company to the holders of any class of shares at the same time as such proposed resolution or circular is sent by the Company to such holders.

## 5.4 Participation in Capital and Profits

In a distribution of capital on the winding up of the Company or otherwise, the "B" Shareholder shall be entitled to repayment of the capital paid-up or treated for the purposes of the Statutes as paid-up on the "B" Share *pari passu* with the holders of the Ordinary Shares and the RBL Shares pursuant to Article 7.2. The "B" Share shall confer no other right to participate in the capital, and no right to participate in the profits, of the Company.

## 5.5 Redemption

The "B" Shareholder may, subject to the provisions of the Statutes, require the Company to redeem the "B" Share at par at any time by giving written notice to the Company at the registered office and delivering the relevant share certificate to the registered office. On redemption of the "B" Share the rights conferred upon the holder of the "B" Share pursuant to Article 5.2 (which does not include any right to capital and revenue) shall be transferred to and rest in CEC.

## SPECIAL SHARE

### 6.1 Issue, holding and transfer

The Special Share may only be issued to, held by and transferred to such body as shall have been nominated in writing by LEEL and approved by CEC by written notice to LEEL.

### 6.2 Entitlement to Receive Notice

The Special Shareholder shall be entitled to receive notice of, and to attend and speak at, any general meeting or any separate meeting of the holders of any class of shares, but the Special Share shall carry no right to vote nor any other rights at any such meeting but shall be entitled to receive a copy of each resolution passed at any such meeting within seven days of the passing of such resolution. The Special Shareholder shall also be entitled to receive a copy of each resolution which is proposed to be passed as a written resolution and each circular sent by the Company to the holders of any class of shares at the same time as such proposed resolution or circular is sent by the Company to such holders.

### 6.3 Participation in Capital and Profits

In a distribution of capital on the winding up of the Company or otherwise, the Special Shareholder shall be entitled to repayment of the capital paid-up or treated for the purposes of the Statutes as paid-up on the Special Share after repayment of capital to all other members of the Company. The Special Share shall confer no other right to participate in the capital, and no right to participate in the profits, of the Company.

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**ORDINARY SHARES, RBL SHARES, PREFERENCE SHARES  
AND PREFERRED SHARES**

7. The rights attaching to the Ordinary Shares, the RBL Shares, the Preference Shares and the Preferred Shares shall be as follows:-

7.1 As regards income

7.1.1 The Preference Shares shall confer on their holders the right to a fixed, cumulative preferential dividend at the rate of six per centum (net of any associated tax credit) per annum on the amount for the time being paid up or credited as paid up thereon to be paid (to the extent that there are profits available for distribution) annually on 31st March in each year in respect of the twelve months ending on that date.

7.1.2 The balance, after paying or providing for the dividend on the Preference Shares pursuant to Article 7.1.1, of the profits of the Company available for dividend and resolved to be distributed at any time shall be distributed by way of dividend among the holders of the RBL Shares, the Ordinary Shares and the Preferred Shares respectively so as to achieve the result that:-

7.1.2.1 in respect of each RBL Share, there shall be paid or distributed the sum of 1 penny (£0.01) for every full amount of £100 worth of assets paid or distributed in respect of an Ordinary Share or a Preferred Share under Article 7.1.2.2, with no payment or distribution in respect of any fractional part of any such amount so distributed, and

7.1.2.2 the profits distributed to the holders of Ordinary Shares and Preferred Shares are distributed rateably according to the numbers of Ordinary Shares and Preferred Shares held by them respectively.

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## 7.2 As regards capital

In a distribution of capital on the winding up of the Company or otherwise the assets of the Company available for distribution among the members of the Company shall be applied as follows:-

- 7.2.1 Firstly, in repaying to the holders of the Preference Shares the nominal amount paid up on each Preference Share held by them respectively.
- 7.2.2 Secondly, in repaying to the holders of the Preferred Shares the nominal amount paid up on each Preferred Share held by them respectively.
- 7.2.3 Thirdly, in repaying to the holders of the Ordinary Shares and the holders of the RBL Shares the nominal amount paid up on each Ordinary Share or RBL Share held by them respectively.
- 7.2.4 Thereafter the balance of such assets shall be distributed among the holders of the Preferred Shares, the Ordinary Shares and the RBL Shares respectively so as to achieve the result that:-
  - 7.2.4.1 in respect of each RBL Share, there shall be paid the sum of 1 penny (£0.01) for every full amount of £1,000 worth of assets (or part thereof) paid or distributed in respect of an Ordinary Share or a Preferred Share under Article 7.2.4.2; and
  - 7.2.4.2 the assets distributed to the holders of Ordinary Shares and Preferred Shares are distributed rateably according to the numbers of Ordinary Shares and Preferred Shares held by them respectively.

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7.3 Entitlement to Receive Notice

Preference Shareholders and RBL Shareholders shall be entitled to receive notice of, and to attend and speak at, any general meeting or any separate meeting of the holders of any class of shares, but neither the Preference Shares nor the RBL Shares shall carry any right to vote or any other rights at any such meeting. Preference Shareholders and RBL Shareholders shall be entitled to receive a copy of each resolution passed at any such meeting within seven days of the passing of such resolution. Preference Shareholders and RBL Shareholders shall also be entitled to receive a copy of each resolution which is proposed to be passed as a written resolution and of each circular sent by the Company to the holders of any class of shares at the same time as such proposed resolution or circular is sent by the Company to such holders.

7.4 As regards voting

Subject to the provisions of Articles 5.3, 6.2 and 7.3, at any General Meeting of the Company, on a show of hands every member of the Company who is present in person or by proxy or (being a corporation) by representative and entitled to vote shall have one vote and on a poll every member who is present in person or by proxy or (being a corporation) by representative and entitled to vote shall have one vote for each share of whatever class held by him.

7.5 No Further Rights

For the avoidance of doubt, the Preference Shares shall not confer any rights to participate in the profits or assets of the Company except as provided in Article 7.1 and Article 7.2.

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## CLASS RIGHTS

## 8. Method of Varying Class Rights

Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class of share may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holder or holders of three-fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class, but not otherwise. To every such separate meeting, all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be one person at least holding or representing by proxy one-third in nominal amount of the issued shares of the class and that the holders of shares of the class shall on a poll (which may be demanded by any holder of shares of the class present in person or by proxy or, if the holder is a corporation, by corporate representative) have one vote in respect of every share of the class held by them respectively; provided that, without prejudice to the generality of this Article, the rights attached to any class of share shall be deemed to be varied:-

- 8.1 by an alteration, increase or reduction of the authorised or issued share capital of the Company or of any subsidiary of the Company (including the sub-division or consolidation of any share) or by any variation of the rights, privileges or restrictions attaching to any class of share in the share capital of the Company or in the share capital of any subsidiary of the Company;
- 8.2 by the creation or issue of any debenture or loan stock of the Company which is or may become convertible into shares of the Company; and
- 8.3 by any alteration to the Memorandum and/or Articles of Association of the Company or by the adoption of new Articles of Association by the Company.

## 9. When rights of "B" Share deemed not to be varied

The rights of the "B" Share shall be deemed not to be varied except in the circumstances described in Article 5.2.



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## ALLOTMENT OF SHARES

### 10. Allotment of Shares

10.1 The Directors are generally and unconditionally authorised to allot relevant securities (within the meaning of section 80 (2) of the Act) on such terms and at such time or times as they may in their discretion think fit provided that:-

10.1.1 the maximum nominal amount of relevant securities to be allotted in pursuance of such authority shall be the aggregate nominal amount of the unissued shares in the capital of the Company from time to time while this authority is in force; and

10.1.2 this authority shall expire, unless sooner revoked or altered by the Company in general meeting, on the expiry of the period of five years from the date of the passing of the resolution by virtue of which this Article in its present form was adopted as part of the Articles provided that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

10.2 Section 89 (1) of the Act shall not apply to any allotment of shares in the Company.

## SHARE CERTIFICATES

### 11. Share Certificates

Every share certificate shall be signed on behalf of the Company by two Directors of the Company or by one Director and the Secretary of the Company or by two persons authorised to sign share certificates on behalf of the Company. Accordingly, the penultimate sentence of Regulation 6 of Table A shall not apply to the Company.

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## TRANSFER OF SHARES

### 12. Refusal to register

The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share (including the "B" Share or the Special Share), whether or not it is a fully paid share, unless:-

12.1 such transfer has been approved by the prior written consent of the majority of the holders of the Ordinary Shares; or

12.2 such transfer is a transfer by the holder of the "B" Share to an Associate;

in which case the Directors shall be bound to approve and register a transfer to such transferee and Regulation 24 of Table A shall be construed accordingly.

## NOTICE OF GENERAL MEETINGS

### 13. Notice to contain information of right to appoint proxies

Every notice convening a general meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to members with regard to their right to appoint proxies.

## PROCEEDINGS AT GENERAL MEETINGS

### 14. Right to vote

A resolution put to the vote of a general 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 demanded. A poll may be demanded by the chairman or by any member present in person or by proxy or, if the member is a corporation, by corporate representative. A demand by a person as proxy or corporate representative for a member shall be the same as a demand by the member.

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## DIRECTORS

### 15. Limits on number of Directors

15.1 The number of Directors (other than alternate Directors) shall be not less than two and shall not exceed a total of eight, constituted by a maximum of five CEC Directors, the Special Director and two others.

15.2 Regulation 81 of Table A shall be deemed extended by the addition of a further paragraph (f):-

"(f) he shall be removed pursuant to any power of removal contained in Articles 17 and 18 of the Company's Articles of Association."

### 16. Director need not be member

A Director shall not be required to hold any share of the Company by way of qualification.

### 17. Appointment and removal of CEC Directors

CEC shall be entitled by notice in writing delivered to the Company to appoint up to five persons as Directors of the Company (referred to in these Articles as CEC Directors and CEC Director shall be construed accordingly) (such appointments to be made either collectively or individually) and at any time by like notice to remove from office any CEC Director so appointed by CEC and to appoint another person as a CEC Director in the place of any CEC Director so appointed who may be removed from office or who may die, resign or otherwise vacate office. Every appointment or removal of a CEC Director by CEC made pursuant to this Article shall be effected by notice in writing either (i) lodged at the registered office of the Company or (ii) delivered to a duly constituted meeting of the Directors of the Company (whether at the beginning or at any time during such meeting) and signed by CEC or by a director or authorised officer of CEC or by an existing CEC Director (or his alternate) and shall take immediate effect as at the actual time of such lodgment or delivery or at such later time as shall be specified in the notice. CEC Directors may only be appointed pursuant to the provisions of this Article.

18. **Appointment and removal of Special Director**

The Special Shareholder shall be entitled by notice in writing delivered to the Company to appoint one person as a Director of the Company (referred to in these Articles as the "Special Director") and at any time by like notice to remove from office the Special Director so appointed by the Special Shareholder and to appoint another person as the Special Director in the place of the Special Director so appointed who may similarly be removed from office or who may die, resign or otherwise vacate office. Every appointment or removal of the Special Director by the Special Shareholder made pursuant to this Article shall be effected by notice in writing either (i) lodged at the registered office of the Company or (ii) delivered to a duly constituted meeting of the Directors of the Company (whether at the beginning or at any time during such meeting) and signed by the Special Shareholder or by a director or authorised officer of the Special Shareholder or by the existing Special Director (or his alternate) and shall take immediate effect as at the actual time of such lodgment or delivery or at such later time as shall be specified in the notice. The Special Director may only be appointed pursuant to the provisions of this Article.

19. **Eligibility for election**

No person shall be appointed or re-appointed a Director at any general meeting of the Company unless:-

19.1 he is recommended by the Directors; or

19.2 not less than three nor more than twenty one days before the date appointed for the general meeting there shall have been left at the registered office of the Company a notice in writing signed by a member duly qualified to attend and vote at the general meeting of his intention to propose such person for appointment or re-appointment, and also notice in writing signed by that person of his willingness to be appointed or re-appointed.

Forthwith after any such notice as is referred to in this Article is left at the registered office of the Company, the Directors shall send a copy of such notice to each member of the Company.

## POWERS OF DIRECTORS

### 20. Borrowing powers

The Directors may exercise all the powers of the Company to borrow money without limits to amount and upon such terms and in such manner as they think fit and to grant any mortgage or charge (either fixed or floating) over the undertaking, property and uncalled capital or any part thereof of the Company and, subject to Section 80 of the Act, to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

### 21. Officers indemnity insurance

Without prejudice to the provisions of Regulation 118 of Table A, the Directors shall have the power to purchase and maintain insurance for, or for the benefit of, any persons who are or were at any time directors, officers, employees or auditors of the Company, or of any other undertaking which is (a) the parent undertaking of the Company or (b) a subsidiary undertaking of the Company or (c) otherwise allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or such parent undertaking or subsidiary undertaking has any interest, whether directly or indirectly, or who are or were at any time trustees of any retirement benefits scheme or employees' share scheme in which employees of the Company or any such other undertaking are interested including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other undertaking, retirement benefits scheme or employees' share scheme.

## DELEGATION OF DIRECTORS' POWERS

### 22. No delegation to committees

The Directors may not delegate any of their powers to any committee of Directors and Regulation 72 of Table A shall be deemed amended accordingly.

## DIRECTORS NOT TO RETIRE BY ROTATION

### 23. Directors not to retire by rotation

The Directors shall not be subject to retirement by rotation. Accordingly, the words "and may also determine the rotation in which any additional directors are to retire" in Regulation 78 of Table A, the words "and shall not be taken into account in determining the directors who are to retire by rotation at the meeting" in Regulation 79 of Table A and the last sentence of Regulation 84 of Table A shall not apply to the Company.

## PROCEEDINGS OF DIRECTORS

### 24. Meetings of Directors

Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. It shall not be necessary to give notice of a meeting to a Director who shall be absent from the United Kingdom. Questions arising at any meeting shall be decided on a majority of votes whether such majority shall consist of a whole or a fraction of a vote and for this purpose fractions of a vote shall be taken into account and, in the case of an equality of votes, the Chairman shall have a casting vote. The Special Director shall have one vote. The CEC Directors shall have, in addition to the Chairman's casting vote, five votes, such votes (other than the Chairman's casting vote) to be divided equally between such CEC Directors present and voting at any meeting. For the purposes of these Articles, where the context so admits, any alternate director present at any meeting of the Directors shall be deemed to be the Director he represents.

25. **Quorum**

The quorum for the transaction of the business at any meeting of the Directors shall be two both being CEC Directors. A person who holds office only as an alternate director shall, if his appointor is not present at the meeting, be counted in the quorum.

26. **CEC to appoint Chairman**

CEC shall be entitled by notice in writing delivered to the Company to appoint one of the CEC Directors as the Chairman of the Board of Directors of the Company and, at any time by like notice, to remove from office the Chairman so appointed and to appoint another CEC Director as the Chairman in his place. Every appointment or Removal of the Chairman by CEC pursuant to this Article shall be effected by notice in writing either (i) lodged at the registered office of the Company or (ii) delivered to a duly constituted meeting of the Directors of the Company (whether at the beginning or at any time during such meeting) and signed by CEC or by a director or authorised officer of CEC or by the other CEC Directors (or their alternates) and shall take immediate effect as at the actual time of such lodgment or delivery or at such later time as shall be specified in the notice. The Chairman appointed as aforesaid shall preside at every meeting of the Directors at which he is present but if such Chairman is not present within five minutes after the time appointed for the meeting, the CEC Directors present shall nominate one of them to preside as Chairman and, if only one CEC Director is present or if no CEC Director is present and, as the case may be, so nominated and willing to act within fifteen minutes after the time appointed for the holding of the meeting, the meeting shall be dissolved.

27. **Directors' interests**

No Director shall be disqualified by his office from contracting with the Company whether as vendor, purchaser or otherwise nor from holding any office (except that of Auditor) or other place of profit under or from being employed by the Company nor shall any such contract, office or employment or any contract or arrangement entered into by or on behalf of the Company or any other matter in which any Director shall be in any way interested, whether directly or indirectly, be avoided or affected by reason of such Director holding that office or of the fiduciary relationship thereby established and any Director so contracting, holding office or being employed or being so interested shall be counted in the quorum present at any

meeting of the Directors and shall be entitled to deliberate and vote in respect of any such contract, office, employment, arrangement or matter and shall not be liable to account to the Company for any profit realised by any such contract, office, employment, arrangement or matter but the nature of his interest must be disclosed in the manner provided by Section 317 of the Act.

## NOTICES

### 28. Notices

Every Director of the Company and every alternate director shall be entitled to receive notices of general meetings (at his usual address or such other address as he may notify to the Company) in addition to the persons so entitled under the Act.