

## WRITTEN RESOLUTION

### EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED (Company No: SC131773)

Written Resolution of the Company signed 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) pass as a Written 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. The Directors of the Company be and are hereby authorised and instructed to execute the following documents:-

- (a) A Loan Stock Instrument creating £546,000 Unsecured Loan Stock 2024, such Loan Stock to be issued to CEC Holdings Limited, the Company's holding company in return for the subscription by CEC Holdings Limited to provide a capital injection for the operational funding requirements of the Company;

in the form of the documents annexed hereto together with such amendment (if any) as the Directors of the Company shall agree with CEC Holdings Limited; and

2. Any Director of the Company who is or may be regarded as in any way directly or indirectly interested in the granting of the above documents whether by virtue of his being a Director, officer or employee or a holder of shares or other securities in CEC Holdings Limited or otherwise howsoever shall be counted in the quorum present at any meeting of the Board of Directors of the Company held to approve the execution of the above documents and to be entitled to vote on a Resolution of the Board of Directors of the Company authorising or otherwise relating to the granting and execution of the above documents.

Dated 12 November 1999

for and on behalf of  
CEC Holdings Limited



**LOAN STOCK INSTRUMENT**

**by**

**EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED**

**Creating £546,000 Unsecured Loan Stock 2024**



**McGRIGOR DONALD**

**SOLICITORS**

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68/73 Queen Street  
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THIS INSTRUMENT is dated 1999 by

EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED (Registered Number 131773) and having its Registered Office at 152 Morrison Street, Edinburgh, EH3 8EE (hereinafter referred to as "the Company").

WHEREAS the Company has by Resolution of the Board of Directors passed on 8th October 1999 created £546,000 Convertible Unsecured Loan Stock 2024 to be constituted as hereinafter provided.

NOW THIS INSTRUMENT WITNESSETH and the Company hereby agrees and declares as follows:-

**1 Definitions and Interpretation**

1.1 In this Instrument the following expressions shall, where the context permits, have the following meanings:-

"Business Day" shall mean a day on which banks generally are open for business in Edinburgh (other than a Saturday);

"Directors" shall mean the Board of Directors of the Company from time to time and for the time being;

"Instrument" shall mean this Instrument as varied or amended from time to time;

"Register" shall mean the Register of Stockholders to be kept by the Company in accordance with sub-clause 14.1;

"Stock" shall mean £546,000 Unsecured Loan Stock 2024 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

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

- 1.2 In this Instrument, words denoting the singular number only shall include the plural number also and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and words denoting persons only shall include corporations.
- 1.3 In this Instrument, words and expressions defined in the Companies Act 1985 shall have the meanings therein ascribed to them.
- 1.4 References in this Instrument to any Clause or sub-clause without further designation shall be construed as a reference to the Clause or sub-clause of this Instrument so numbered.
- 1.5 Headings to Clauses in this Instrument are for convenience only and shall not be taken into account in the interpretation of this Instrument.
- 1.6 Reference in this Instrument to a statute shall include any statutory extension or modification or re-enactment of such statute.
- 1.7 Reference to repayment shall include redemption and the expressions repay and repaid shall be construed accordingly.

## 2 **Terms of Issue**

- 2.1 The Stock shall be issued to CEC Holdings Limited, City Chambers, High Street, Edinburgh.

## 3 **Restrictions on Issue**

The Stock shall be limited to £546,000.

4      **Conditions of Issue**

The Stock shall be held subject to the provisions of this Instrument, which provisions shall be binding on the Company and the Stockholders and all persons claiming through or under them respectively.

5      **Ranking of Stock**

The Stock shall as and when issued rank *pari passu* in all respects and without discrimination or preference and as an unsecured obligation of the Company.

6      **Interest**

The Company shall, so long as any of the Loan Notes remain outstanding, pay interest (subject to any deduction or withholding of tax required by law) on the Loan Notes from the respective dates of issue calculated on the basis of a 365 day year, at a rate equal to such rate above the base lending rate of the Governor and Company of the Bank of Scotland ("the Bank") as may be agreed from time to time during the term of the Loan Notes by the Noteholders (subject to the consent of the Board) or, failing such agreement, as may be established by the Board, provided however that the rate of interest payable on the Loan Notes shall not be lower than 5% per annum. A Certificate of a duly authorised officer of the Bank shall be conclusive evidence of such base lending rate and shall be binding on the Noteholders in the absence of manifest error. Interest shall be cumulative and shall accrue on a daily basis and be payable by quarterly instalments in arrears on 31 March, 30 June, 30 September and 31 December in every year, the first such payments to be made on the first such date occurring 2 years after the date of issue and to be in respect of the period from the date of issue of the Loan Notes up to and including that date.

7      **Repayment**

7.1      The Stock if not previously redeemed, repaid or converted under the provisions of this Instrument shall be repaid at par on 31 December 2024.

7.2      The Company may upon giving notice as provided in sub-clause 8.1 at any time redeem at par the whole or any part of the Stock. In the case of repayment of less than

all of the Stock, the Company shall be bound to repay, as nearly as circumstances permit, such a proportion of the Stock held by each Stockholder as the aggregate of the Stock to be repaid bears to the aggregate of the Stock in issue immediately prior to the date of such repayment.

## **8 Early Repayment**

8.1 The Company shall give to each Stockholder not less than 5 Business Days' prior written notice of the date fixed for redemption of the whole or any part of Stock in accordance with sub-clause 6.2 and such notice shall state the amount of his Stock due for redemption and shall name the date and place for repayment of such Stock and for delivery to the Company of the certificate or certificates relating thereto.

8.2 On the expiration of any notice given in accordance with sub-clause 8.1, the Company shall be entitled and bound to pay off the Stock in respect of which such notice has been given and each such Stockholder shall be bound to deliver to the Company at the place named in the notice the certificate or certificates relating to his Stock and, upon such delivery and against the receipt of the Stockholder for the redemption moneys payable in respect of his Stock, the Company shall repay to the Stockholder the amount payable to him in respect of such redemption. The Company shall, in the case of repayment in full, cancel the certificate or certificates of the Stockholder concerned and, in the case of a repayment of part of the Stock included in the Certificate or certificates, cancel the same and without charge issue a fresh certificate for the balance of the Stock not redeemed on that occasion to the Stockholder delivering such certificate or certificates to the Company.

## **9 Place where Principal Moneys are Payable**

Any moneys payable in respect of redemption of the whole or any part of the Stock may be paid by cheque sent through the post at the risk of the Stockholder or Stockholders or, in the case of joint Stockholders, to the first-named Stockholder on the Register in respect of such holding or to such person and to such address as the Stockholder or joint Stockholders may in writing direct. Every such cheque shall be made payable to the order of the person to whom it is sent and payment of the cheque shall be satisfaction of the moneys represented thereby.

10 **Cancellation of Stock**

All Stock redeemed or repaid pursuant to Clause 7 shall be cancelled and the Company shall not be at liberty to re-issue the same.

11 **Forced Early Repayment**

11.1 At the option of each of the Stockholders exercisable by notice in writing to the Company, the Stock shall be repaid upon the occurrence of any of the following events:-

11.1.1 if default shall be made by the Company in due performance or observance of any covenant, undertaking or obligation on its part contained herein which default cannot be remedied or, if it can be remedied, remains unremedied 20 Business Days after notification of such default is received by the Company; or

11.1.2 if a security holder takes possession, or a receiver or administrator is appointed in respect of, all or any part of the business, property or assets of the Company or any subsidiary or if any arrestment (other than an arrestment on the dependence of an action), pinding or execution or other legal process be placed or is levied or enforced upon or against any such property or assets and is not discharged or removed within thirty days of being arrested, pointed, executed or enforced; or

11.1.3 the Company or any subsidiary convenes a meeting of its creditors or makes any arrangement or composition with its creditors or a petition is presented or a meeting convened for the purpose of considering a resolution or other steps are taken for the winding up of the Company or a subsidiary (other than a winding up for the purpose of amalgamation or reconstruction which in either case has been approved by Special Resolution of the Stockholders); or

11.1.4 if the Company or any subsidiary shall stop or threaten to stop payment of its obligations generally or cease or threaten to cease to carry on the whole or any part of its business being a substantial part of the Company and its subsidiaries taken as a whole; or



- 11.1.5 if the Company or any subsidiary for the purposes of sections 122 and 123 of the Insolvency Act 1986 is deemed to be unable to pay its debts; or
- 11.1.6 if any security or charge of the Company or any subsidiary becomes enforceable and the holder or holders thereof take any steps to enforce the same; or
- 11.1.7 if any loan stock, debenture or other securities or indebtedness of the Company shall by reason of default become repayable prior to the due date for repayment and steps are taken to enforce payment of the same.

The Company shall give immediate notice to the Stockholders of the occurrence of any of the above events.

- 11.2 The Company shall not more than 5 Business Days following the receipt of a notice served by any Stockholder pursuant to sub-clause 11.1 pay off the Stock or allot and issue Preferred Shares in respect of the Stock (as appropriate) in respect of which such notice was served and the provisions of Clause 7 shall apply as if such notice had been served by the Company.

## **12 Entitlement to Certificates**

- 12.1 Each Stockholder shall be issued with a certificate in respect of the amount of Stock issued to him within 28 Business Days after the date of issue of such Stock but joint Stockholders shall be entitled to only one certificate in respect of the Stock held by them jointly and such certificates will be sent to that one of the joint Stockholders who is first-named in the Register.
- 12.2 Every certificate for Stock shall be in the form or substantially in the form set out in the Schedule hereto.

## **13 Defaced, Lost or Destroyed Certificates**

If any Stock certificate is defaced, lost or destroyed, it may be replaced on payment of such fee (if any) and on such terms as to evidence and to indemnity as the Directors may require but so that in the case of defacement, the defaced certificate shall be

surrendered before the new certificate is issued.

#### **14 Register of Stockholders**

14.1 The Register of Stockholders will be kept by the Company at its Registered Office (or such other place within the United Kingdom as the Company may from time to time notify to the Stockholders) and there shall be entered in the Register:-

14.1.1 the names and addresses of the Stockholders for the time being;

14.1.2 the Stock held by each Stockholder in amounts or multiples of £1.00;

14.1.3 the date of issue of the Stock to each Stockholder; and

14.1.4 the serial number of each certificate for the Stock.

14.2 Any change of name or address on the part of any Stockholder which is notified to the Company shall be entered in the Register.

14.3 Any Stockholder or his duly authorised representative may at all reasonable times during office hours inspect the Register.

#### **15 Variation of Instrument**

The provisions of this Instrument and the rights of the Stockholders hereunder may be modified, abrogated or compromised in any respect (a) with the sanction of either (i) a Special Resolution of the Stockholders or (ii) every Stockholder in writing and (b) with the sanction of a Special Resolution of the Company.

#### **16 Meetings of Stockholders**

16.1 The Company may at any time and shall at the request in writing of Stockholders holding the majority of the Stock convene a meeting of Stockholders.

16.2 A meeting of Stockholders shall be held at such place and time as the Company may

determine and shall be conducted in accordance with the provisions (*mutatis mutandis*) of the Articles of Association of the Company relating to the holding of general meetings.

- 16.3 The quorum at a meeting of Stockholders shall be Stockholders holding a majority in nominal value of the Stock. If a poll is demanded, each £1.00 nominal of Stock shall confer one vote.

## 17 **Title of Stockholders**

The Company shall recognise the registered holder of any Stock as the absolute owner thereof and may, but shall not be bound to, take notice of or see to the execution of any trust whether express, implied or constructive to which any Stock may be subject. The receipt of the registered holder for the time being of any Stock for any moneys payable in respect thereof shall be a good discharge to the Company notwithstanding any notice it may have whether express, implied or constructive of the right, title, interest or claim of any other person to or in such Stock or moneys. Every Stockholder shall be recognised by the Company as entitled to his Stock free from any equity, set-off or cross-claim on the part of the Company against the original or any intermediate holder of the Stock.

## 18 **Transfers**

- 18.1 The Stock shall be registered and transferable in amounts and multiples of £1.00.
- 18.2 An instrument of transfer shall be in such usual or common form or such other form as is acceptable to the Directors and shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain the owner of the Stock to be transferred until the name of the transferee is entered in the Register in respect thereof.
- 18.3 Every instrument of transfer must be left for registration at the place where the Register shall for the time being be kept accompanied by the certificate for the Stock to be transferred and such other evidence as the Company may require to prove the title of the transferor and his right to transfer the Stock and, if the instrument is executed by some other person on his behalf, the authority of that person to do so.

Where a Stockholder transfers part only of the Stock comprised in a certificate, he shall be entitled to a certificate for the balance of the Stock retained by him without charge.

## 19 Notices

Any notice to be given to any Stockholder or the Company shall be in writing delivered by hand or by pre-paid first class mail or by telex or facsimile transmission. Any such notice shall be delivered to the registered address of the Stockholder or the Registered Office of the Company as the case may be and shall be deemed to have been received:-

- 19.1 in the case of a notice delivered by hand, on the Business Day following receipt;
- 19.2 in the case of a notice delivered by pre-paid first class mail from within the United Kingdom, 2 Business Days after posting within the United Kingdom;
- 19.3 in the case of a notice given by telex or facsimile transmission, at the time of sending.

In proving service by mail, it shall be sufficient to show that the envelope containing the notice was properly addressed and posted.

## 20 Enforcement of Stockholders Rights

- 20.1 The Company hereby covenants with the Stockholders and each of them duly to perform and observe the obligations on its part contained in this Instrument.
- 20.2 This Instrument shall enure for the benefit of all Stockholders, each of whom may sue for the performance or observance of the provisions hereof so far as his holding of Stock is concerned.

## 21 Governing Law

This Instrument shall be subject to and construed in accordance with Scots Law.

**22 Registration**

The Company consents to registration hereof for preservation and execution: IN  
WITNESS WHEREOF this Instrument consisting of this and the eight preceding  
pages together with the Schedule hereto has been executed as follows:-

SUBSCRIBED for and on behalf of  
EDINBURGH INTERNATIONAL  
CONFERENCE CENTRE LIMITED

at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_  
1999 by \_\_\_\_\_

.....  
Director

.....  
Director/Secretary

EDINBURGH INTERNATIONAL CONFERENCE CENTRE LIMITED  
(incorporated under the Companies Act 1985  
with Registered Number 131773)

No:                      Amount of Stock:       £

£546,000 Unsecured Loan Stock 2024.

This is to certify that \_\_\_\_\_ of \_\_\_\_\_ is/are the registered holder(s) of the above mentioned amount of Unsecured Loan Stock 2024 of the Company, which Stock is constituted by an Instrument granted by the Company dated \_\_\_\_\_ 1999 and is issued under the authority of the Memorandum and Articles of Association of the Company and a resolution of the Board of the Directors passed on 8th October 1999 subject to and with the benefit of the provisions contained in that Instrument.

.....  
Director

.....  
Director/Secretary

..... Date

**Notes:**

1. Stock is transferable only in accordance with the provisions of the Instrument constituting the same.
2. This certificate must be surrendered before any transfer of the whole or any part of the Stock comprised herein can be registered.
3. A copy of the Instrument is available for inspection at all reasonable times during office hours at the registered office of the Company.