
MEMORANDUM AND ARTICLES OF ASSOCIATION
OF
STOURPORT SPORTS CLUB LIMITED
Incorporated the 16th day of August 1995



CENTRE COURT, VINE LANE
HALESOWEN, WEST MIDLANDS
B63 3EB

TEL: (0121) 550 0777
FAX: (0121) 585 5156

Ref: PBC.40398.1

CHAIRMAN INITIAL
RPC

THE COMPANIES ACTS 1985 TO 1989

**PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION
of
STOURPORT SPORTS CLUB LIMITED**

(amended by Resolutions dated 11 January 2000, 22 March 2004 and 5th July 2005)

1. The Company's name is "Stourport Sports Club Limited"
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are: -

(A) Primarily, but without prejudice to the other objects of the Company, to carry on business as proprietors of a sports club, with such facilities and accommodation for indoor and outdoor sports or games and in particular running tracks, playing fields, changing rooms, bars, canteens and such other amenities as may be thought fit.

(B) To carry on any other trade or business which may seem to the Company and its directors to be advantageous and to directly or indirectly to enhance all or any of the business of the Company.

(C) To sell, charge, mortgage, construct, repair, improve, develop, exchange, let or lease, grant privileges, options, rights and licences in respect of all or any part of the property of the Company.

(D) To grant credit, loans or advances on such terms as may be appropriate with or without security to clients and others, to enter into indemnity, contracts or guarantees and suretyships of all kinds, to receive money on loan or deposit or otherwise upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of an obligation by any company, firm or person including any parent, subsidiary or fellow subsidiary company in such manner as the Company may think fit.

(E) To raise and borrow money by any method and to secure the payment of any money borrowed, raised or owing as the Company shall think fit for the purposes of or in connection with the Company's business.

(F) To issue, discount, accept, draw and negotiate cheques, bills of exchange, bills of lading, warrants, debentures, promissory notes and other negotiable or transferable instruments.

(G) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the Company or its predecessors in business or the dependants or connections of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons as aforesaid, their dependants or connections, and to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the Directors be calculated directly or indirectly to benefit the Company or its employees, and to institute or maintain any club or other establishment or profit sharing scheme calculated to advance the interests of the Company or its officers or employees.

(H) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

(I) To do all such other things as are incidental or conducive to the above objects or any of them.

AND so that: -

(1) None of the provisions set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such provision, and none of such provision shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other provision set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.

(2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company.

(3) The word "Company" in this Clause, 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 the United Kingdom or elsewhere.

(4) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The income and property of the Company must be applied solely towards the objects of the Company and no part may be paid or transferred directly or indirectly by dividend bonus or profit to the Members and no payment may be made or benefit granted to the Directors.

5. The liability of the Members is limited.

6. All Members of the Company shall undertake to contribute such amount as is required (not to exceed £1) to the assets of the Company should it be wound up whilst he is a Member or within one year after he ceases to be a Member, full payment of companies debts and liabilities contracted before he ceases to be a member and of any costs, expenses and charges incurred in the winding up, and for the adjustment of the rights of the contributories among themselves.

7. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all debts and liabilities, any property whatsoever, the same shall be paid to or distributed to either (i) a registered charity having main objects similar to the Company the area of benefit of which is the County of Worcestershire or (ii) a community amateur sports club who shall take account of the user rights set out in an agreement dated 31 March 1998 between Worcestershire County Council, Wyre Forest District Council, Stourport Hockey Club, Stourport Athletics Club, Stourport on Severn High School, the English Sports Council

and the Company (as defined by Schedule 18 Finance Act 2002 or any substituted legislation) operating in the said County

THE COMPANIES ACTS 1985 TO 1989

**COMPANY LIMITED BY GUARANTEE AND NOT
HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION
OF
STOURPORT SPORTS CLUB LIMITED**
(amended by Resolutions dated 11 January 2000 and 22 March 2004)

DEFINITIONS

The headings shall not affect the construction and the interpretation of these Articles and unless the context otherwise requires the following words and expression shall bear the meanings set opposite them: -

"A' Member"	means Wyre Forest District Council
"A' Director"	a director appointed pursuant to Article 9 (E)(i).
"the Act"	means the Companies Act 1985, any reference in these Articles to any provision of "the Act" shall be deemed to include a reference to any statutory modification of that provision for the time being in force.
"B' Member"	means Worcestershire County Council
"B' Director"	a director appointed pursuant to Article 9(E)(ii).
"C' Member"	means Stourport on Severn High School & Language College
"C' Director"	a director appointed pursuant to Article 9(E)(ii).

"D' Member"	means Stourport Hockey Club (an unincorporated body)
"D' Director"	a director appointed pursuant to Article 9(E)(iii).
"E' Member"	means Stourport Athletic Club (an unincorporated body)
"E' Director"	a director appointed pursuant to Article 9(E)(iii).
"Director"	a director for the time being of the Company.
"Management Agreement"	means the Agreement dated 31 March 1998 made between (1) the "A" Member (2) the "B" member (3) the "C" Member (4) the "D" Member (5) the "E" Member

Words and expressions defined in the Act shall, unless the context otherwise requires, have the same meaning in these Articles. The singular shall include the plural and vice versa.

The expression "Member" includes its successors and its duly appointed representative if a body corporate or other organisation.

TABLE A

2. (A) The Regulations contained in Table A of the Companies (Table A to F) (Amendment) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company save in so far as they are excluded or modified hereby and such Regulations (save as so excluded or varied) and the following Articles hereon shall be the regulations of the Company.

(B) Clauses 2 to 35 (inclusive), 57,59,102 to 108 (inclusive), 110, 114, 116 and 117 in Table A shall not apply to the Company.

(C) In Clause 1 in Table A the definition of "the holder" shall be construed as if it were omitted therefrom.

MEMBERS

3. (A) The Members of the Company shall be the parties to the Management Agreement or such other parties to the Management Agreement as the "A" member, "B" Member, "C" Member, "D" Member and "E" Member may admit from time to time.

(B) 48 hours notice must be given by a Member of its intention to withdraw from the Company. Except as provided for in Clause 3C below membership shall not be transferable and shall cease in the case of a body corporate on its winding up.

MEETINGS

4. (A) 21 clear days notice must be given to call an Annual General Meeting or Extraordinary General Meeting for the passing of a Special Resolution. All other Extraordinary General Meetings shall be called by at least 14 clear days notice, however, a General Meeting may, if agreed, be called by shorter notice if;

- (i) in the case of an Annual General Meeting all members entitled to vote and attend; and
- (ii) in the case of any General meeting, by a majority in number of the Members with the right to attend and vote, being a majority together holding not less than ninety five percent of the total voting rights at the meeting of all Members unless the provisions of an Elective Resolution are at the time.

(B) The Notice shall be given to all Members of the Company and to the Auditors. A Member shall cease to be a member of the Company in the event that, for whatever reason, it ceased to be a party to the Management Agreement.

(C) Clause 38 in Table A shall not apply to the Company.

(D) All Members entitled to attend and vote at a General Meeting shall also be entitled to appoint another person (even another Member) as its proxy to attend and vote instead of it and that appointed proxy shall have the same right as the member to speak at

the Meeting. A notice convening a General Meeting must give information to Members in regard to their right to appoint proxies as stated under Section 327 (3) of the Act.

QUORUM

5. (A) No business shall be transacted at a General Meeting of the Company unless a quorum is present. Subject to the following paragraph (B) a quorum shall be four Members entitled to attend and vote upon the business to be transacted each being either a Member of the Company or a proxy for a Member or an authorised representative of a Corporation.

(B) If at any time the Company has only one Member then that Member present or by proxy or a duly authorised representative should that Member be a corporation shall be a quorum.

(C) If a quorum is not present within half an hour from the time appointed for a General meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and location or to such other day, time and location as the Directors may determine; if a quorum is not present at the adjourned General Meeting within half an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.

(D) Clause 40 and 41 in Table A shall not apply to the Company

6. (A) If at any time the Company has one Member and a decision is taken by that Member which may be required at a General Meeting or by way of a written Resolution, that decision shall be valid as if agreed by the Company in General Meeting. This paragraph does not include any decisions made pursuant to Sections 303 and 391 of the Act.

(B) Any decision taken by a sole Member of the Company as indicated in the above paragraph (A) shall be recorded in writing and delivered to the company for entry in the Company's Minute Book.

7. Clause 44 in Table A shall be read and construed as if the following words "and at any separate meeting of the holders of any class of shares in the company" were omitted. Clause 46 in Table A shall be construed and read as if paragraph (d) was omitted.

VOTES OF MEMBERS

8. (A) All Members present in person or by proxy shall have one vote either on a poll or on a show of hands.

(B) Any body corporate or other organisation which is a Member of the Company may be resolution of its board of directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate or other organisation which he or she represents as the body corporate or other organisation could exercise if it were an individual member of the Company.

(C) Clause 54 and 55 in Table A shall not apply to the Company.

APPOINTMENT OF DIRECTORS

9. (A) Clause 64 in Table A shall not apply to the Company.

(B) Unless and until the Company in General meeting shall otherwise determine, there shall be a maximum of 8 Directors comprised of 2 "A" Directors, 1 "B" Director, 1 "C" Director, 2 "D" Directors and 2 "E" Directors. Whensoever the minimum number of Directors shall be one, a sole Director may exercise all the powers and authorities vested in the Directors by Table A and by these Articles. Clause 89 in Table A shall be modified accordingly.

(C) The Directors of the Company shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.

(D) Clause 83 in Table A shall be read and construed as if the words "of any class of shares of" were omitted.

(E) (i) The "A" member shall (while Wyre Forest District Council remains a member of the Company) be entitled to appoint two Directors of the Company ("A" Directors), and to remove from office any such person so appointed and to appoint any other person in his or her place. Such appointments or removals shall be made by notice in writing served upon the Company at its registered office.

(ii) The "B" and "C" Members shall (while Worcestershire County Council and Stourport on Severn High School & Language College respectively remain members of the Company) each be entitled to appoint one Director of the Company ("B" and "C" Directors respectively) and to remove from office any such person so appointed and to appoint any other person in his or her place. Such appointments or removals shall be made by notice in writing served upon the Company at its registered office.

(iii) The "D" and "E" Members shall (while Stourport Hockey Club and Stourport Athletic Club respectively remain members of the Company) each be entitled to appoint two Directors of the Company ("D" and "E" Directors respectively) and to remove from office any such person so appointed and to appoint any other person in his or her place. Such appointments shall be made by notice in writing served upon the Company at its registered office.

(F) For the purposes of Article 9(E) above a notice of appointment or removal of a Director shall be effective if such notice be left at the Office of the Company on the date on which it is left or if it is sent by registered or recorded delivery post to the office of the Company and the expiration of 48 hours after the notice is posted.

BORROWING POWERS

10. The Directors may exercise all the powers of the Company to borrow money and to mortgage, or charge its undertaking, property and uncalled capital, or any part thereof, 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.

ALTERNATE DIRECTORS

11. A Director, or any other person as is mentioned in regulation 65 of Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting or committees of the Directors to one vote for every Director whom he/she represents in addition to his/her own vote (if any) as a Director, but in relation to determining a quorum he or she shall count as only one.

GRATUITIES AND PENSIONS

12. The Directors may exercise the authority conferred by Clause 3(G) of the Memorandum of Association of the Company and are entitled to retain benefits received by them or any of them by reason of the exercise of such authority. Clause 87 in Table A shall not apply to the Company.

PROCEEDINGS OF DIRECTORS

13. A Director may vote as a Director on any resolution concerning any contract or arrangement in which he or she has an interest or upon any matter arising thereout, and if the said Director shall vote on any such resolution as aforesaid his or her vote shall be counted and the said Director shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration. Clause 94 to 97 (inclusive) in Table A shall not apply to the Company.

14. Clauses 100 and 113 in Table A shall be read and construed as if the words "of the holders of any class of shares in the company" were omitted. Clause 112 in Table A shall be read and construed as if the second sentence were omitted.

APPOINTMENT OF CHAIRMAN OF THE BOARD

15. (A) The Chairman of the Board of Directors ("the Board") shall be required to retire by rotation at the end of each annual general meeting. The Chairman will be appointed in the following sequence:

The "A" Director, the "D" Director, the "B" Director, the "E" Director, the "C" Director, the "D" Director, the "A" Director and the "E" Director.

(B) If the Board, at the meeting at which the Chairman retires by rotation, does not fill the vacancy the retiring Chairman shall, if willing to act, be deemed to have been reappointed unless at the meeting a resolution for the re-appointment of the Chairman is put to the meeting and lost.

INDEMNITY

16. Subject to the provisions of Section 310 and in addition to such indemnity as is contained in Regulation 118 of Table A, every Director Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him or her in or about the execution and discharge of the duties of his or her office.

17. Without prejudice to the provisions of Regulation 118 Table A the Directors shall have the power to purchase and maintain insurance for the benefit of any person or persons who are or were at any time directors, officers, or employees of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such person or persons in respect of any act or omission in the actual or purported exercise 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.

RULES AND BYELAWS

18. The Directors may create any such Rules or Byelaws as they deem expedient or convenient for the conduct and management of the Company and without prejudice to the generality of the foregoing, they by these such Rules or Byelaws regulate: -

(A) the rights and privileges of the users of the sports club and the fees or payments, if any, to be made by the users;

(B) the management of the sports club and its facilities

(C) the conduct of users of the sports club in relation to one another and to the Company and the company's servants or agents

(F) and, generally, any or all matters as are commonly the subject matter of the rules appropriate to leisure facilities of a similar nature and type as the sports club.

In General Meeting, the Company shall have the power to make alterations or repeal the Rules and Byelaws and to make additions thereto and the Directors shall adopt such means as they deem sufficient to bring the Members of the Company notice of all such Rules and Byelaws, which so long as they shall be in force, shall be binding on all Members of the

Company. Provided nevertheless, that no Rule or Byelaw shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of Association.