

BSC Leisure Limited in Receivership

BSC Leisure Management Limited in Receivership

Minutes of Special General Meeting of the Members of
Thurnham Hall Club ("the Club")

Held at the Norbreck Castle Hotel, Blackpool at 8.00pm on Monday 29 April 1996

Top table David Wilton of Coopers & Lybrand, Joint Administrative Receiver of
 BSC Leisure Limited and BSC Leisure Management Limited
 Mark Hopkins of Coopers & Lybrand

David Wilton opened the meeting by explaining that the meeting was a Special General Meeting of the Club called for the purpose of considering a number of important issues including the two resolutions included with the letter and Notice of the meeting sent to Members on 3 April 1996.

David Wilton invited nominations for Chairman of the meeting. Michael Forth proposed that David Wilton be Chairman of the meeting; Mike Torevell and one other Member seconded the proposal.

David Wilton referred to the letter that had been sent to all Members on 3 April 1996 and the workshops and meetings which had taken place in previous weeks at which Fred Fogg and Nigel Robinson had met with Members to explain in detail the proposed scheme.

David Wilton invited Fred Fogg to address the meeting. Fred Fogg outlined the proposed scheme and provided the following commentary on the background to and key elements of the scheme:

- approximately 18 months ago Fred Fogg and Brian Kay first contacted Members with a view to formulating the scheme;

- Brian Kay was now no longer involved with the scheme; he had been replaced by Nigel Robinson;
- Members of the "TOFF" Committee had entered into a series of negotiations with Fred Fogg on behalf of Members;
- existing floating weeks would be converted to fixed weeks;
- the resort at Thurnham is to be affiliated to RCI; beneficial terms had been negotiated with RCI including the first years free Membership;
- Fred Fogg and Nigel Robinson are to subsidise the Management Charge for the first and second years to ensure that the level of Management Charges is kept in line with previous levels;
- the main aim of the scheme was to consolidate the position for Members;
- no promises are to be made with regard to the future development of the Club;
- the development programme will be adhered to subject to the level of future timeshares sales;
- the overall aim of the scheme is to increase the number of Members from the existing 350 to a level that would mean that the Resort is self funding.

David Wilton explained that a number of Members were present but, strictly speaking, were not entitled to attend and vote at the meeting as they had not complied with all of the requirements to entitle them to attend and vote. David Wilton suggested that such Members should be allowed to sit in on the meeting but not be allowed to vote, although indicative votes would be cast by such Members. The meeting confirmed its acceptance to such a course of action.

David Wilton outlined the two resolutions to be passed at the meeting:

- the first resolution involving changes to the Club Constitution requires a 75% majority of all Members entitled to attend and vote at the meeting;
- the second resolution requires a simple majority of 50% of all Members entitled to attend and vote at the meeting;
- voting is to be on the basis of one vote per week owned;
- the voting process was to be monitored by Philip Broomhead of First National Trustee Company.

David Wilton invited questions from the floor before moving to consider the two resolutions.

Michael Forth addressed the meeting stating that some important issues had to be considered before the two resolutions could be passed. Firstly, the Members had been requested to complete Form C which had the effect of Members relinquishing/waiving all claims against First National Commercial Bank PLC, First National Bank PLC, First National Trustee Company Limited, any other companies in the First National Group and the Receivers of BSC Leisure Limited and BSC Leisure Management Limited. The Members require a similar cross waiver of Management Charges.

David Wilton confirmed that with regard to those Members who had paid the £500 prior to the meeting and completed Form C, the £500 was accepted in full and final settlement of the Management Charges previously demanded.

Jeremy Harrison of First National Commercial Bank PLC confirmed the receipt of £500 in full and final settlement of the Management Charges previously demanded for each week of timeshare ownership. David Wilton, Jeremy Harrison and Fred Fogg all confirmed that there were no other claims that they were aware of.

Michael Forth referred to previous discussions with Jeremy Harrison in which Jeremy Harrison had indicated that a share sale agreement to Fred Fogg/Nigel Robinson and an agreement for the sale of Thurnham Hall would be in place by the time of the meeting. Michael Forth sought confirmation of the current position.

Jeremy Harrison confirmed that a share purchase agreement had been signed earlier in the day which was to be exchanged on Wednesday 1 May 1996 and completed on Thursday 2 May 1996.

Following a request from David Wilton, Fred Fogg confirmed Jeremy Harrison's comments in connection with the share purchase agreement.

Michael Forth requested that the position regarding Membership certificates be clarified, in particular, the administration charge for the renewal and issue of the certificates relating to the extended life of the Club.

Fred Fogg confirmed that following discussions with First National Trustee Company the initial charge of £50 had been reduced to £16 per certificate per timeshare week.

Michael Forth referred to Fred Fogg's comments that the level of Management Charges would remain the same as prior to the Receivers appointment. The Bank and the Receivers had confirmed that they would not be pursuing Members for the arrears of Management Charges, what was the position as Fred Fogg saw it?

Fred Fogg confirmed that he would take no action in connection with the arrears of Management Charges. Fred Fogg added that the maintenance charges had been agreed with TOFF and would remain the same for two years ie 1996 and 1997.

Michael Forth mentioned that issues such as the Leisure Centre had already been covered and thanked the TOFF Committee for their efforts.

David Wilton invited further questioned from Members.

There being no further questions David Wilton invited Members to considered the two resolutions and to cast their votes by completing the pink voting slip. Whilst these votes were being counted the second part of the meeting, being the election of a Members Committee, would be covered.

David Wilton invited brief presentations from the following nominees for the formation of a Management Committee of Thurnham Hall:

Muriel Burnham - Airey

Shirley Avon Barber

Michael Forth

John Jackson

John Mills

Fred Evans

Dr Aitree on behalf of George Yoxall

David Wilton announced the result of the votes cast in respect of the first and second resolutions:

	Number
Original number of Members thought to be eligible to attend and vote at the Special General Meeting	304
Less: Members subsequently identified as being not entitled to attend and vote at the meeting	(10)
Add: Unsold weeks vested in the Company, BSC Leisure Limited	40
Total number of Members entitled to attend and vote at the Special General Meeting	<hr/> 334 <hr/>
To achieve the requisite majority ie $334 \times 75\%$, the total number of votes required in favour of the first resolution amounts to	251
Total number of individual votes cast, not including those vested in the Company	252

Therefore the first resolution involving changes to the Club Constitution was passed at the Special General Meeting.

With regard to the second resolution, David Wilton reported that 3 votes had been cast against the resolution with 249 votes in favour. Therefore the second resolution was passed at the Special General Meeting.

Following the announcement of the votes David Wilton suggested that Members take a break from the meeting whilst the votes in respect of the Members Committee nominations were counted.