

Registered No: 61880

THE COMPANIES ACTS

COMPANY LIMITED BY SHARES

RESOLUTION

of

WALKER GREENBANK PLC

(passed on 23 September 1998)

At a meeting of the class of preference shareholders of the Company duly convened and held on 23 September 1998 the following resolution was duly passed as an extraordinary resolution of the class of preference shareholders of the Company:-

EXTRAORDINARY RESOLUTION

THAT the preference shareholders of the Company consent to the passing of the resolution numbered 1 set out in the Notice of Extraordinary General Meeting of the Company dated 28 August 1998 (a print of which has been produced to this meeting and has, for the purpose of identification, been initialled by the Chairman) and to any modification, variation, abrogation or affecting of, or dealing with, the rights and privileges attached to the Preference Shares as is or may be involved therein or effected thereby.

J. Richards
.....
Chairman





1. THAT, subject to and conditional upon the passing of the resolution set out in the notice convening a class meeting of the holders of the cumulative convertible preference shares of 25 pence each ("Convertible Preference Shares") dated 28 August 1998, the Articles of Association of the Company shall be amended so as to modify the rights attaching to the Convertible Preference Shares with effect from the Special Conversion Date (as hereinafter defined) as follows:

- (i) at the end of Article 2 after the definition of "paid", add

"*Special Conversion Date*" *30 September 1998 or such later date as the Company shall announce to the London Stock Exchange provided that the Special Conversion Date shall not be later than the day falling 14 days after the date upon which the later of the Extraordinary General Meeting and the Preference Share Class Meeting (each as defined in the Enhanced Conversion Option Circular) (or any adjournment thereof) shall have been held.*

"*Enhanced Conversion Option Circular*" *the circular issued by the Company to its shareholders dated 28 August 1998.*

"*Enhanced Conversion Option Notice*" *the notice contained in Part II of the Enhanced Conversion Option Circular pursuant to which the Company gave notice to the holders of Convertible Preference Shares of an additional one-time right, subject to certain conditions, to convert their Convertible Preference Shares into Ordinary Shares on the Special Conversion Date."*

- (ii) in Article 3(B)(2)(a) after "8.28 Ordinary Shares for every 5 Convertible Preference Shares", add

"in respect of any Convertible Preference Share to be converted on a day other than the Special Conversion Date, and at the rate of 8.694 Ordinary Shares for every 5 Convertible Preference Shares in respect of any Convertible Preference Share to be converted on the Special Conversion Date (the "Special Conversion Rate")";

- (iii) in Article 3(B)(2)(a)(i), after "Article 3(B)(2)(a)(iv) below", add

"or during the period commencing on the date of the Enhanced Conversion Option Notice and ending on the Enhanced Conversion Option Closing Date (as defined in the Enhanced Conversion Option Circular)"; and

after "the last day of a Conversion Period", add

"other than that ending on the Enhanced Conversion Option Closing Date";

- (iv) at the beginning of Article 3(B)(2)(a)(ii), add



"Save as set out below in this Article 3(B)(2)(a)(ii)," and

at the end of Article 3(B)(2)(a)(ii), add

"For the purposes of these Articles a Special Notice of Conversion (as defined in the Enhanced Conversion Option Circular) shall constitute the Conversion Notice in respect of the relative Convertible Preference Shares and no other notice shall be required from any holder of Convertible Preference Shares in respect of any election to convert such shares on the Special Conversion Date or be effective for such purpose. Any Special Notice of Conversion shall be valid only if it complies with the requirements and instructions therein and in the Enhanced Conversion Option Notice (save to the extent that the Company waives compliance with all or any of the provisions thereof or treats as valid any Special Notice of Conversion and/or instructions relative thereto not complete in all respects or not complying with the requirements and instructions thereof). The entitlement of holders of Convertible Preference Shares to convert any Convertible Preference Shares on the Special Conversion Date shall not extend to any such holder who shall not have delivered on or before the Enhanced Conversion Option Closing Date a Special Notice of Conversion."

(v) at the end of Article 3(B)(2)(a)(v), add

"provided that the Company shall not be required to give any notice to holders of Convertible Preference Shares of their rights to convert any Convertible Preference Shares on the Special Conversion Date, such notice being deemed to have been given in the Enhanced Conversion Option Notice."

(vi) in Article 3(B)(2)(a)(vi), after "next following the relevant Conversion Date", add

"or the Special Conversion Date (if applicable)";

(vii) in Article 3(B)(2)(b) after "relevant Conversion Date", add

"or the Special Conversion Date (if applicable)";

(viii) at the end of Article 3(B)(2)(c), add

"or the Special Conversion Date (if applicable)";

(ix) in Article 3(B)(2)(h)(ii), after "on the basis of 8.28", add

"(or, if applicable, 8.694)";

(x) in Article 3(B)(2)(i), delete "90 per cent" and add, in its place,

"75 per cent";

after "Convertible Preference Shares" in the first line thereof, add

"then or at any time previously in issue";

after "within 30 days after the Conversion Date", add



"or the Special Conversion Date"; and

at the end thereof, add

"(and, for the avoidance of doubt, such conversion shall be at the rate of 8.28 Ordinary Shares for every 5 Convertible Preference Shares)"; and

(xi) in Article 3(B)(2)(i), after *"14 days after the relevant Conversion Date"*, add

"or the Special Conversion Date (if applicable)".