
THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

PROGRESSIVE FINANCIAL SERVICES LIMITED

(registered number 133540)

WRITTEN RESOLUTIONS OF THE MEMBERS OF THE COMPANY

We, the undersigned, being all the members of the Company entitled for the time being to attend and vote at general meetings of the Company hereby resolve pursuant to regulation 53 of Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) (which regulation is embodied in the articles of association of the Company by article 4.4 of the Company's articles of association) that the following resolutions be passed as written resolutions having effect in the case of resolutions 1, 2, and 3 as ordinary resolutions and in the case of resolution 4 as a special resolution of the Company and agree that the said resolutions shall for all purposes be as valid and effectual as if the same had been passed at a general meeting of the Company duly convened and held:

ORDINARY RESOLUTIONS

- 1 As the written resolution dated 19 December 2003 (the "**Original Resolution**"), increasing the authorised share capital of the Company from £101,004,995 to £101,504,995 by the creation of 50,000,000 irredeemable preference shares of £0.01 each contained a typographical error on its face **THAT**, for the avoidance of doubt, it is hereby acknowledged that the increase in the authorised share capital of the Company was actually from £101,105,000 to £101,605,000 by the creation of 50,000,000 irredeemable preference shares of £0.01 each and **THAT** any director be and hereby is authorised to take all consequential steps to amend this error in any other papers and documents prepared pursuant to the Original Resolution, to the extent that such error is repeated and any such steps prior to the date hereof are duly ratified ✓
- 2 **THAT** the authorised share capital of the Company be and hereby is increased from £101,605,000 to £101,855,000 by the creation of 25,000,000 "B" preference shares of £0.01 each (the "**B**" Preference Shares") having the rights more particularly described in the proposed amendments to the articles of association referred to in Resolution 4. ✓
- 3 **THAT**, pursuant to and in accordance with section 80 of the Companies Act 1985, the directors of the Company be and hereby are generally and unconditionally authorised to exercise all powers of the Company to allot the shares referred to in resolutions 1 and 3 above or any of them and any other shares for the time being in the capital of the Company authorised but unissued and to grant rights to subscribe for or convert into securities shares up to a maximum amount in any case as aforesaid equal to the nominal amount of authorised but unissued share capital of the ✓



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Company provided that this authority shall expire 5 years from the date of this resolution save 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 the relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS

4 **THAT** the articles of association of the Company be amended as follows: ✓

4.1 article 1A shall be deleted and replaced in its entirety by the following new article 1A:

"1A.1 SHARE CAPITAL

The share capital of the Company as at the date of the latest amendment to these Articles of Association is [£101,605,000 plus amount of new increase] divided into:

1A.1.1 100,000,000 ordinary shares of £1 each and 500,000 ordinary shares of £0.01 each (together, the **"Ordinary Shares"**);

1A.1.2 10,000,000 "A" preference shares of £0.01 each (the **"A" Preference Shares"**);

1A.1.3 25,000,000 "B" preference shares of £0.01 each the **"B" Preference Shares"**); and

1A.1.4 150,000,000 irredeemable preference shares of £0.01 each (the **"Irredeemable Preference Shares"**).

1A.2 RIGHTS ATTACHING TO "A" PREFERENCE SHARES AND "B" PREFERENCE SHARES

1A.2.1 The holders of "B" Preference Shares shall be entitled, in priority to the holders of any other class of share in the Company's share capital, to receive out of the profits of the Company available for distribution, on or after the third day after the first allotment and issue of the "B" Preference Shares (the **"B" Issue Date"**), a single non-cumulative special dividend (the **"B" Special Dividend"**) per "B" Preference Share equal to £0.99 plus Z (for each day from and including the B Issue Date until and including the date that the "B" Special Dividend is paid), where

Z equals £0.99 multiplied by X; and

X equals the 6 month sterling LIBOR rate as quoted in the Financial Times for the relevant day and divided by 360.

A holder of "B" Preference Shares shall be entitled to make a call for the "B" Special Dividend at any time on or following

the 56th day after the first allotment and issue of the "B" Preference Shares. Such call shall be made by serving a written notice on the Company to that effect. The date of such notice shall be deemed to be the date of the call and the due date of the dividend.

- 1A.2.2 The holders of "A" Preference Shares and "B" Preference Shares shall, ranking *pari passu* in all respects, be entitled, in priority to the holders of any other class of share in the Company's share capital to a cumulative dividend at the rate of 6 month sterling LIBOR (as defined below) per annum on the amount for the time being paid up (or credited as paid up) as to nominal value (excluding, for the avoidance of doubt, any premium paid on any "A" Preference Share or any "B" Preference Share) on each "A" Preference Share and "B" Preference Share held (the "**Cumulative Dividend**"). This dividend shall accrue on a daily basis and shall be payable on 15 July and 15 January (or if such date is not a Business Day on the next following Business Day) in each year in respect of the 6 month period ended on that date, save that the first such payment in respect of any "B" Preference Shares held shall not be made until 15 July 2004 in respect of the period from the "B" Issue Date until 15 July 2004. (and for the avoidance of doubt the first such payment after the adoption of this article in respect of the "A" Preference Shares shall be made in respect of the six month period ending 15 July 2004). For the purposes of this article 1.A.2.2, a "**Business Day**" shall mean any day (other than a Saturday or a Sunday) on which banks are open for general interbank business in London and "LIBOR" shall have the meaning given in article 1.A.2.1. above but shall be the relevant rate at or about 11am on the date that is two London banking days preceding the first day of the relevant calculation period.
- 1A.2.3 The "B" Special Dividend shall be paid to the holders of the "B" Preference Shares whose names appear on the relevant register of members at 12 noon on the date that the relevant "B" Special Dividend is called for by a holder of "B" Preference Shares or the relevant "B" Special Dividend is declared by the Company, as applicable.
- 1A.2.4 The Cumulative Dividend shall be paid to the holders of the "A" Preference Shares and the "B" Preference Shares whose names appear on the relevant register of members at 12 noon on the date that the relevant Cumulative Dividend is declared by the Company.
- 1A.2.5 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act, or unless payment of the Cumulative Dividends would have the effect of depriving the Company of sufficient cash resources prudently to carry on business, the Cumulative Dividends shall be paid immediately on their respective due dates.
- 1A.2.6 On a distribution of assets of the Company among its members on a winding up or other return of capital (other than a redemption or purchase by the Company of its own shares), the holders of the "B"

Preference Shares shall be entitled, in priority to any holder of any other class of shares, to receive a sum equal to any arrears and accruals of the "B" Special Dividend (whether earned or declared or not) payable on such shares calculated up to and including the date of the commencement of the winding up or (in any other case) the date of the return of capital.

1A.2.7 On a distribution of assets of the Company among its members on a winding up or other return of capital (other than a redemption or purchase by the Company of its own shares), the holders of the "A" Preference Shares and the "B" Preference Shares shall, ranking pari passu in all respects (but subject as provided in article 1A.2.6., be entitled, in priority to any holder of any other class of shares, to receive an amount equal to the aggregate of the capital paid up or credited as paid up as to nominal value on each "A" Preference Share and each "B" Preference Share (excluding, for the avoidance of doubt, any premium paid on any "A" Preference Share or on any "B" Preference Share) together with a sum equal to any arrears and accruals of the Cumulative Dividend (whether earned or declared or not) payable on such share calculated up to and including the date of the commencement of the winding up or (in any other case) the date of the return of capital.

1A.2.8 Save as provided in articles 1A.2.1 to 1A.2.7 the holders of the "A" Preference Shares and the "B" Preference Shares shall not be entitled to any participation in the profits or assets of the Company.

1A.2.9 The holders of "A" Preference Shares shall, by virtue of and in respect of their holdings of "A" Preference Shares, have the right to receive notice of, attend, speak and vote at a general meeting of the Company only if a resolution is to be proposed:

(a) abrogating, varying or modifying any of the rights or privileges of the holders of the "A" Preference Shares (in which case they shall only be entitled to vote on such resolution); or

(b) in respect of winding up on the Company,

or if any Cumulative Dividend has been duly declared at a meeting of the members or directors of the Company but not paid.

1A.2.10 The holders of "B" Preference Shares shall, by virtue of and in respect of their holdings of "B" Preference Shares, have the right to receive notice of, attend, speak and vote at a general meeting of the Company only if a resolution is to be proposed:

(a) abrogating, varying or modifying any of the rights or privileges of the holders of the "B" Preference Shares (in which case they shall only be entitled to vote on such resolution); or

(b) in respect of a winding up of the Company,

or if the "B" Special Dividend or any Cumulative Dividend has been duly declared at a meeting of the members or directors of the Company but not paid.

1A.2.11 Except in the circumstances set out above, holders of the "A" Preference Shares and the "B" Preference Shares shall not have the right to receive notice of, attend, speak or vote at any general meeting of the Company.

RIGHTS ATTACHING TO IRREDEEMABLE PREFERENCE SHARES

1A.3.1 Dividends

(a) As to income, the Irredeemable Preference Shares shall confer upon the holders thereof the right in priority to any payment by way of dividend of the Company, other than to the holders of the "A" Preference Shares and the "B" Preference Shares, to receive a cumulative preferential dividend (the "**Preferential Dividend**").

(b) The Preferential Dividend shall for every twelve month period in respect of each Irredeemable Preference Share from time to time in issue be:

$$((A + 4.68\%) \times 100 \times \text{£}0.01)$$

where A is as defined in 1A.3.1(d) below.

(c) Subject to Part VIII of the Act, the Preferential Dividend shall:

(i) be paid in arrears at twelve monthly intervals on each anniversary of the date of the first issue by the Company of any Irredeemable Preference Shares (the "**Dividend Reference Date**"); and

(ii) without any resolution of the Directors or the Company in General Meeting (and notwithstanding anything contained in Regulations 102 to 108 (inclusive) of Table A) accrue from day to day and on each such Dividend Reference Date become a debt due from and immediately payable by the Company to the holders of the Irredeemable Preference Shares pro rata according to the number of Irredeemable Preference Shares held by each such shareholder, as the case may be.

(d) For the purpose of article 1A.3.1(b) above 'A' shall be equal to twelve month sterling LIBOR expressed as a percentage, being:

- (i) the rate per annum of the offered quotation for twelve month sterling deposits of and in an amount equal or comparable to the aggregate market value on the date of issue of all of the issued Irredeemable Preference Shares in the capital of the Company as at the date falling thirty days prior to the date of first issue by the Company of any Irredeemable Preference Shares (for the period from such date until the day before the first Dividend Reference Date) or the relevant Dividend Reference Date (for all subsequent periods beginning on such Dividend Reference Date and ending on the day before the next following Dividend Reference Date), which appears on Telerate Page 3740 or 3750 (or any replacement page on the Telerate service) at or about 11.00am on the relevant date; or
- (ii) if no such display rate is then available for such sterling deposits, then the arithmetic mean (rounded up, if necessary, to the nearest four decimal places with the mid-point rounded up) of the rates notified to the Company at the Company's request by each of two Clearing Banks to leading banks in the London interbank market at or about 11.00am (London time) thirty days prior to the relevant Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be) for twelve month sterling deposits in an amount equal or comparable to the aggregate market value on the date of issue of all of the issued Irredeemable Preference Shares in the capital of the Company as at the relevant Dividend Reference Date, and for the purposes of this article a "Clearing Bank" shall be any of Royal Bank of Scotland plc, Lloyds TSB plc, Barclays Bank plc and HSBC plc;
- (iii) if, in respect of any Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be):
 - (a) no (or only one) Clearing Bank notifies a rate to the Company in response to the Company's request as contemplated by paragraph (ii) above; or
 - (b) on the basis of notification from one or more Clearing Banks, the Company determines that either twelve month sterling deposits are not available in the London Inter-Bank Market at or about 11.00am (London time) thirty days prior to the relevant Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be) in an

amount equal or comparable to the aggregate market value on the date of issue of all of the issued Irredeemable Preference Shares in the capital of the Company as at the relevant Dividend Reference Date or the rates notified by the Clearing Banks do not accurately reflect the cost to such Clearing Banks of obtaining such deposits; or

- (c) the Company determines that, by reason of circumstances affecting the London Inter-Bank Market, adequate or fair means do not or will not exist for determining the rate applicable for twelve month sterling deposits, the Company shall promptly notify every holder of Irredeemable Preference Shares and negotiate with the holders of Irredeemable Preference Shares an alternative basis for calculating the value of 'A'.
- (iv) If an alternative basis for calculating the value of 'A' is not agreed among the Company and the holders of Irredeemable Preference Shares within 10 days of the Company becoming aware that the conditions in (iii) above are satisfied, the value of 'A' shall be determined by an independent bank appointed by agreement between the Company and the holders of Irredeemable Preference Shares or, in the event of a failure to reach such an agreement, appointed on the application of the Company or any holder of Irredeemable Preference Shares by the President for the time being of the Law Society of England and Wales.
- (e) The Irredeemable Preference Shares shall not confer upon the holders thereof any right to participate in the profits of the Company beyond the Preferential Dividend.


1A.3.3 Capital

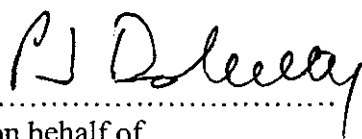
- (a) On a distribution of assets on a winding up or other return of capital, the surplus assets of the Company remaining after payment of its liabilities shall be paid in the following order of priority:
 - (i) first, in paying to the holders of the "B" Preference Shareholders any amount of the "B" Special Dividend due but unpaid on the date of the distribution or return;
 - (ii) second, in paying all amounts to which the holders of the "A" Preference Shares and the "B" Preference Shares are entitled in priority to the holders of any other class of shares;

- (iii) third, in repaying to the holders of Irredeemable Preference Shares the nominal value paid up on each such Irredeemable Preference Share held by them on the date of the distribution or other return;
 - (iv) [fourth, in paying to the holders of Irredeemable Preference Shares any amount of the Preferential Dividend due but unpaid on the date of the distribution or other return];
 - (v) fifth, in paying to the holders of Irredeemable Preference Shares £0.99 per each Irredeemable Preference Share held by them on the date of the distribution or other return; and
 - (vi) thereafter, any surplus shall be paid to the holders of Ordinary Shares pro rata.
- (b) The Irredeemable Preference Shares shall not confer upon the holders thereof any further right to participate in the assets of the Company available for distribution among the members of the Company.

1A.3.4 Voting

The Irredeemable Preference Shares shall not confer upon the holder thereof any right to receive notice of, attend or vote at a General Meeting."


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for and on behalf of
CATTLES PLC


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for and on behalf of
CATTLES PROVIDENT TRUST LIMITED

Dated: 4 March 2004