

## THE COMPANIES ACT 1985 AND 1989

**PUBLIC COMPANY  
LIMITED BY SHARES**

## ORDINARY AND SPECIAL RESOLUTIONS



of

**API GROUP plc**

At the Annual General Meeting of the above named Company duly convened and held at The Savoy Hotel, The Strand, London WC2R 0EU on 4 February 1999 the following resolutions were passed, in the case of resolutions 6 and 7 as ordinary resolutions and in the case of resolutions 8, 9, 10 and 11 as special resolutions:

## Ordinary Resolutions

- 6 That the authorised capital of the Company be increased to £12,184,368.50 by the creation of an additional 1,452,306 ordinary shares of 25p each.
- 7 That the Directors be and they are hereby generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Act) of the Company to such persons, at such times and on and subject to such terms and conditions as the Directors may determine. The maximum aggregate nominal amount of relevant securities which may be allotted pursuant to this authority shall be £2,820,881.50. This authority shall expire on the earlier of 4 May 2000 or the conclusion of the Annual General Meeting of the Company to be held in 2000, save that the Company may before such expiry make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

## Special Resolutions

- 8 That the Directors be and they are hereby empowered pursuant to Section 95(1) of the Companies Act 1985 ("the Act") to allot equity securities (within the meaning of Section 94 of the Act) pursuant to the general authority conferred by resolution 7 in the Notice of Annual General Meeting accompanying the circular to the shareholders of the Company dated 4 January 1999, as if Section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited:

- and this power shall, unless renewed, varied or revoked, expire on the earlier of 4 May 2000 or the conclusion of the Annual General Meeting of the Company to be held in 2000, save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power hereby conferred had not expired.

(a) the maximum number of ordinary shares hereby authorised to be purchased is 3,385,057;

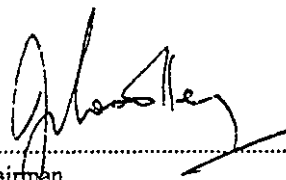
- ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

- 10 That the authorised and issued capital of the Company be reduced by cancelling and extinguishing all of the 549,000 3.85% (formerly 5.5%) cumulative preference shares of £1 each in the capital of the Company, whether issued or unissued, and by repaying to the holders thereof on the register of members when the reduction becomes effective the nominal capital paid up thereon together with the premium, if any, calculated and certified in accordance with Article 5.2(a) of the Company's current Articles of Association and the payment of all arrears and accruals of the cumulative preference dividend calculated down to the date of repayment of capital.
- 11 That:
- (a) subject to and upon there becoming effective the reduction of capital referred to in resolution 10 in the Notice of Annual General Meeting accompanying the circular to the shareholders of the Company dated 4 January 1999 the Articles of Association of the Company be and are hereby amended by:
- (i) deleting therefrom the then current Article 5 and replacing it with the following new Article 5:
- "5 Authorised share capital
- The authorised share capital of the Company is £11,635,368.50 divided into 46,541,474 ordinary shares of 25p each.";
- (ii) deleting from Article 6 the words "and provided that no new share entitled to rank "pari passu" with or to any preference over the Preference Shares shall be issued without the sanction of an ordinary resolution passed at a separate meeting of the holders of such shares"; and
- (b) the Articles of Association of the Company be and are hereby amended by deleting therefrom the then current Articles 92 and 93 and replacing them with the following new Articles 92 and 93:
- "92 Re-election at intervals of no more than three years
- A director will retire from office at the third annual general meeting following his appointment or following his last re-appointment by shareholders at an annual general meeting.
- 93 Directors to retire by rotation
- 93.1 Any director who is required to retire at an annual general meeting pursuant to Article 87 (an "excluded director") shall not be taken into account in determining the number or the identity of the directors to retire by rotation at that meeting pursuant to this Article 93.

93.2 The number and identity of the directors, other than any excluded director, to retire at an annual general meeting pursuant to this Article 93 shall be determined by reference to the number and identity of the directors, other than any excluded director, at the start of business on the date of the notice convening the annual general meeting ("the relevant directors") notwithstanding any change in the number or identity of such directors after that time but before the close of that meeting.

93.3 If the number of directors retiring at an annual general meeting under Article 92 is less than one-third of the number of relevant directors (or, if the number of relevant directors is not three or a multiple of three, is less than the number which is nearest to but does not exceed one-third of that number), such additional number of relevant directors shall retire from office by rotation under this Article 93 as shall, together with the directors retiring under Article 92, equal one-third of the number of relevant directors (or, if the number of relevant directors is not three or a multiple of three, the number which is nearest to but does not exceed one-third of that number).

93.4 Subject to the provisions of the statutes and of these Articles, the relevant directors, if any, to retire under this Article 93 shall be in addition to and shall not include those to retire under Article 87 or 92 and shall be, first, any other relevant director who wishes to retire and not offer himself for re-election and, secondly, those other relevant directors who have been longest in office since their last appointment or re-appointment, but as between two or more such other relevant directors who have been in office an equal length of time, the relevant director to retire shall, in default of agreement between them, be determined by lot."

  
Chairman