

;Company No. 169249

WE HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL <i>Addleshaw Sons & Latham</i> DATE..... <i>05-07-96</i> ADDLESHAW, SONS & LATHAM SOLICITORS, MANCHESTER
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THE COMPANIES ACT 1985 (as amended)

PUBLIC
COMPANY LIMITED BY SHARES

SPECIAL AND ORDINARY RESOLUTIONS
OF
API GROUP plc

At an Extraordinary General Meeting of the above named Company duly convened and held at the offices of Credit Lyonnais Laing, Broadwalk House, 5 Appold Street, London EC2A 2DA at 11.00 a.m. on 17 June 1996 the following resolutions were duly passed as a Special Resolution and an Ordinary Resolution respectively:

Special Resolution

1 THAT:

- (a) the acquisition by the Company of the entire issued share capital in Learoyd Group Limited and the entire issued common stock in Learoyd Packaging (USA) Inc. ("the Acquisition") on the terms and subject to the conditions of the acquisition agreement dated 23 May 1996 ("the Acquisition Agreement") between Peter Anthony Brown and others (1) and the Company (2) (a copy of such agreement being produced to the Meeting and signed by the Chairman of the Meeting for the purposes of identification) and as referred to in the circular to shareholders of the Company comprising a prospectus relating to the Company dated 23 May 1996 ("the Prospectus") be and is hereby approved and the Directors be and are hereby authorised to complete the same and to make such variations and amendments to the terms and conditions of the Acquisition Agreement as the Directors may approve and consider not to be material in the context of the Acquisition and take all steps they consider necessary or desirable to effect or facilitate the Acquisition;
- (b) subject to and conditionally upon the New Ordinary Shares as defined in the Prospectus (as defined in paragraph (a) of this resolution) being



admitted to the Official List of London Stock Exchange Limited ("the London Stock Exchange") and such admission becoming effective by the announcement of the decision of the London Stock Exchange to admit such securities to the Official List ("Effective Admission") on or before 21 June 1996 or such other later date as the Company may determine, but in any event not later than 5 July 1996:

- (i) the authorised share capital of the Company be increased from £7,549,000 to £9,878,344 by the creation of 9,317,376 new ordinary shares of 25p each in the Company;
- (ii) the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (as defined for the purposes of section 80 of the Companies Act 1985 ("the Act")) up to an aggregate nominal amount of £3,887,227 (this authority to be in substitution for all existing authorities pursuant to section 80 of the Act), provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or, if earlier, on the date that is 15 months following the date of such passing) 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 relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired; and
- (iii) the Directors be and are hereby empowered to allot equity securities (as defined for the purposes of section 95 of the Act) for cash pursuant to the authority conferred by paragraph (ii) of this resolution as if section 89(1) of the Act did not apply to any such allotment, this power to be in substitution for all existing powers pursuant to section 95 of the Act, provided that this power shall be limited to:

- (A) the allotment of 6,219,562 ordinary shares of 25p each in connection with the Placing and Open Offer referred to in the Prospectus;
- (B) the allotment of equity securities in connection with issues to holders of ordinary shares on a *pro rata* basis (notwithstanding that by reason of such exclusions or other arrangements as the Directors may deem necessary or appropriate in connection with fractional entitlements or legal or practical problems arising under the laws or requirements of any recognised regulatory body or any stock exchange or otherwise in any overseas territory, the equity securities to be issued are not offered to all such holders in proportion to the number of ordinary shares held by each of them); and
- (C) the allotment (otherwise than pursuant to sub-paragraphs (A) or (B) of this paragraph (iii)) of equity securities up to an aggregate nominal amount of £349,850,


and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or, if earlier, on the date following 15 months after the date of passing of this resolution) save that the Company may before such expiry make an 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 conferred hereby had not expired.

Ordinary Resolution

- 2 THAT, subject to and conditionally upon Effective Admission (as defined in the resolution numbered 1 contained in the notice of meeting of which this resolution forms part):

- (a) the Directors be authorised:

- (i) to amend the rules of the API Group plc executive share option scheme 1993 ("the Executive Scheme") by deleting therefrom rule 4.2; and
 - (ii) to amend the rules of the API Group plc unapproved share option scheme 1993 ("the Unapproved Scheme") by deleting therefrom paragraph (a) of rule 4.2; and
- (b) the Directors be authorised to issue invitations to apply for the grant of options under the Executive Scheme and the Unapproved Scheme in the period commencing on the fourth dealing day on the London Stock Exchange following the date upon which Effective Admission takes place and ending twenty one days after such fourth dealing day notwithstanding that such period is not an Invitation Period as defined in the rules of the Executive Scheme and the Unapproved Scheme.



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T. K. Johnston
Secretary