

Company Number 668114

THE COMPANIES ACT 1985

SPECIAL RESOLUTIONS

OF

CPLD LIMITED
(the "Company")

(Passed on } December 1999)

We, the undersigned being all the members of the Company having the right to attend and vote at General Meetings of the Company approve the passing of the Resolutions set out below under the provisions of the Company's articles of association to the effect that such resolutions shall be deemed to be effective as if they had been passed as special resolutions at a general meeting of the Company duly convened and held.

SPECIAL RESOLUTIONS

1. THAT, subject to compliance with Sections 155-158 of the Companies Act 1985, the terms of, the arrangements contemplated by, and the execution, delivery and performance by the Company, in connection with:-
 - (a) Senior term loan facilities (the "**Senior Term Loans**") in the maximum aggregate principal amount of £95,000,000 to be made available to CPL Industries Limited (the "**Parent**") and used in refinancing the existing indebtedness of the Parent and its subsidiaries (the "**Refinancing**") and in payment of fees, costs and expenses relating to the Finance Documents (as defined in the Senior Facilities Agreement (as defined below));
 - (b) a mezzanine term loan facility (the "**Mezzanine Term Loan**") in the maximum aggregate principle amount of £25 million to be made available to the Parent and used in the Refinancing and in payment of fees, costs and expenses relating to the Finance Documents;
 - (c) a revolving credit facility (the "**Revolving Credit Facility**") in the maximum aggregate amount of £45,000,000 to be made available to the Parent and certain of its subsidiaries and used in or towards:
 - (i) refinancing working capital outstandings as part of the Refinancing;



- (ii) payment of fees, costs and expenses relating to the Finance Documents and the Refinancing;
 - (iii) financing the general working capital requirements of the Parent and its subsidiaries;
 - (iv) financing capital expenditure made or incurred by any of the Parent or its subsidiaries identified in the agreed form document entitled the CPL Industries Limited Ten Year Plan (Base Case) dated 8 October 1999 (the "**Business Plan**") as being required or contemplated as part of the project relating to the generation of electricity from landfill gas referred to in the Business Plan in an aggregate amount not exceeding £3,750,000;
 - (v) financing the repayment of the £206,266.65 nominal variable rate guaranteed unsecured loan notes 2000 issued by the Parent to the vendors of Heptagon Limited pursuant to an instrument executed by the Parent and National Westminster Bank plc on 2 June 1997 and which are still outstanding as at the date of the Facilities Agreement; or
 - (vi) (being drawn by way of documentary credit (a "**Documentary Credit**") guaranteeing obligations due or to become due to specified third parties from any of the Parent or its subsidiaries;
- (d) a BACS facility letter (as the same may be varied, amended or supplemented from time to time) to be entered into by, inter alia, The Royal Bank of Scotland plc and the Parent with respect to the provision of a BACS facility to certain members of the Group (as defined in the Senior Facility Agreement (as defined below)) in an amount not exceeding £15,000,000 or such higher amount as may be agreed from time to time by the Majority Banks (as defined in the Senior Facility Agreement);
- (e) an ancillary facility letter to be entered into by The Royal Bank of Scotland plc pursuant to which (and subject to the terms of the Senior Facility Agreement) The Royal Bank of Scotland plc would make available an ancillary facility; and
- (f) an intra-group loan facility (the "**Intra-Group Loan**") to be entered into by each Obligor (as defined in the Senior Facility Agreement) (including the Company) and made available to each Borrower (as defined in the Senior Facility Agreement) pursuant to which the Company will agree to loan to the Borrowers an aggregate amount not exceeding £198,000,000;

of:-

- (i) a senior guarantor accession agreement to be entered into by the Company, the Parent, and The Royal Bank of Scotland plc (the "**Senior Guarantor Accession Agreement**") relating to a senior term loan and revolving credit facility agreement (as the same may be varied, amended or supplemented from time to time) (the "**Senior Facility Agreement**") dated 13 October 1999

entered into between, inter alia, the Parent, The Royal Bank of Scotland plc as Arranger, Facility Agent and Security Agent (each such term as defined therein) and certain banks and financial institutions (such banks and financial institutions together with any assignees or successors in title (the "**Banks**") pursuant to which the Company will guarantee prompt performance by each other Obligor (as defined in the Senior Facility Agreement) of all its obligations under the Finance Documents and the prompt payment by each other Obligor of all sums payable to each Finance Party (as therein defined);

- (ii) a mezzanine guarantor accession agreement to be entered into by the Company, the Parent and RBS Mezzanine Limited as Facility Agent (the "**Mezzanine Guarantor Accession Agreement**") relating to a mezzanine term loan facility agreement (as the same may be varied, amended or supplemented from time to time) (the "**Mezzanine Facility Agreement**") dated 13 October 1999 entered into by, inter alia, the Parent, RBS Mezzanine Limited as Arranger and Facility Agent (as such terms are defined therein), The Royal Bank of Scotland plc as security agent and the Lenders (as defined therein) pursuant to which the Company will guarantee prompt performance by each other Obligor of all its obligations under the Mezzanine Finance Documents (as defined in the Mezzanine Facility Agreement) and the prompt payment by each other Obligor of all sums payable to each Finance Party;
- (iii) a debenture (the "**Debenture**") (as the same may be varied, amended or supplemented from time to time) to be entered into by the Parent, the Chargors (as defined therein) and The Royal Bank of Scotland plc as Security Agent pursuant to which the Company will covenant to pay and discharge the Secured Liabilities (as defined therein) on the due date therefor and will create fixed and floating charges over all its assets by way of security for the Secured Liabilities;
- (iv) an intercreditor obligor accession agreement to be entered into by the Company and The Royal Bank of Scotland plc as Security Agent (the "**Intercreditor Obligor Deed of Accession**") relating to an intercreditor agreement (the "**Intercreditor Agreement**") (as the same may be varied, amended or supplemented from time to time) dated 13 December, 1999 entered into by, inter alia, the Parent, the Senior Creditors, the Hedging Banks, the Mezzanine Creditors and the Junior Banks (as such terms are defined in the Intercreditor Agreement) and The Royal Bank of Scotland plc as Security Agent and Senior Agent (the "**Senior Agent**") pursuant to which the Company will, inter alia, covenant that on, inter alia, certain Events of Default (as specified in the Senior Facility Agreement) occurring to subordinate any Intercompany Debt (as defined therein) owed to it to the Senior Debt, Hedging Debt and Mezzanine Debt (each as defined in the Intercreditor Agreement);
- (v) an intra-group loan facility agreement (the "**Intra-Group Loan Agreement**") to be entered into by each Obligor (including the Company) and made


available to each Borrower (as defined in the Senior Facility Agreement) pursuant to which the Company will agree to loan to the Borrowers up to £198,000,000.

be approved (the Senior Facility Agreement, the Senior Guarantor Accession Agreement, the Mezzanine Facility Agreement, the Mezzanine Guarantor Accession Agreement, the Debenture, the Intercreditor Agreement, the Intercreditor Obligor Deed of Accession, the Intra-Group Loan Agreement together being referred to as the "Assistance Documents".)

2. THAT the execution, delivery and performance by the Company of, and the subsequent exercise of rights under, the Assistance Documents is in the best interests of the Company.
3. THAT the giving of financial assistance by the execution of, and the subsequent exercise of rights under, or the performance of, the relevant Assistance Documents be approved.
4. THAT approval for the Company to enter into the relevant Assistance Documents be given, notwithstanding that the Company might be held to be giving financial assistance for the purposes of Sections 151 and 152 of the Companies Act 1985.
5. THAT the articles of association of the Company be amended by the deletion of the existing articles 97, 98 and 99 and the insertion of the following in substitution as a new article 97:

"A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

Regulations 94-97 (inclusive) shall not apply to the Company."



CPL Industries Limited