

Company No. 1458898

THE COMPANIES ACT 1985

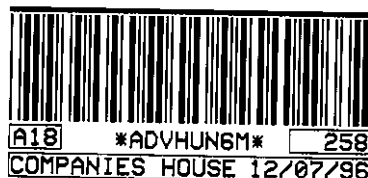
PUBLIC COMPANY LIMITED BY SHARES

ORDINARY AND SPECIAL RESOLUTIONS

-of-

FORWARD GROUP PLC

AT AN EXTRAORDINARY GENERAL MEETING of the Members of the above Company duly convened and held at offices of Edge & Ellison, Rutland House, 148 Edmund Street, Birmingham B3 2JR on Friday the 28th day of June 1996 the following **RESOLUTIONS** were duly passed as **ORDINARY AND SPECIAL RESOLUTIONS:-**



ORDINARY RESOLUTIONS

1. **THAT** the authorised share capital of the Company be and is hereby increased from £950,000 to £3,645,000 by the creation of 53,900,000 new ordinary shares of 5p each in the capital of the Company
2. **THAT**, subject to the passing of Resolution 1 set out in the notice convening this meeting, the Directors be and are hereby generally and unconditionally authorised for the purposes of 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) up to an aggregate nominal value of £2,962,088.50, such authority to expire on 28 June 2001 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, notwithstanding such expiry, the Directors may allot relevant securities in pursuance of any such offer or agreement as if the said authority had not expired and that the authority for the purposes of the said Section 80 of the Act contained in an Ordinary Resolution passed on 19 June 1995 (to the extent that it remains in force and unexercised) is hereby revoked.
3. **THAT**,
 - (a) the sum of £2,048,734.50 being part of the amount standing to the credit of the share premium account of the Company be capitalised and that the Directors be and are hereby authorised and directed to appropriate such sum for distribution as capital to the members of the Company whose names appear in the register of members at the close of business on 26 June 1996 in the proportion to which such members would have been entitled to such sum if the distribution were by way of a dividend and to apply the same on behalf of such members in paying up in full 40,974,690 new ordinary shares of 5p each in

the capital of the Company and to allot and distribute such shares credited as fully paid up to and amongst such members in the proportion of three new ordinary shares of 5p each for each existing ordinary share of 5p then held by them in satisfaction of their shares and interests in such capitalised sum and that such shares so distributed shall be treated for all purposes as an increase of the nominal amount of the capital of the Company held by each such shareholder and not as income.

- (b) such further sum (if any) being part of the remaining balance standing to the credit of the share premium account of the Company, after the appropriation under sub-paragraph (a) of this Resolution 3(a) as is equal to three times the aggregate nominal value of the Scheme Shares and accordingly that the Directors be and are hereby authorised and directed to appropriate such a sum for distribution to the holders of the Scheme Shares in the proportion to which such members would have been entitled to such sum if the distribution were by way of a dividend, and to apply the same on behalf of such members in paying up in full such total number of new ordinary shares of 5p each in the capital of the Company and to allot and distribute such shares credited as fully paid up to and amongst such members in the proportion of three new ordinary shares of 5p each for each existing Scheme Share then held by them in satisfaction of their shares and interests in such capitalised sum and that such shares so distributed shall be treated for all purposes as an increase of the nominal amount of the capital of the Company held by each such shareholder and not as income.

For the purpose of this Resolution and Resolution 4 below:

"the Schemes"

means the Forward Group Share Option Scheme and the Forward Group Plc (1995) Executive Share Option Scheme; and

"Scheme Shares"

means those ordinary shares of 5p each in the capital of the Company as have on or after 3rd June 1996 and prior to the close of business on the Record Date been allotted under the Scheme in accordance with its rules.

SPECIAL RESOLUTION

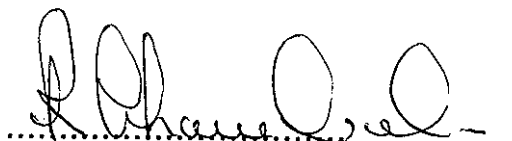
4. THAT,

(a) the Directors be and are hereby empowered pursuant to Section 95(1) of the Act to allot equity securities (as defined in Section 94(2) of the Act) for cash pursuant to the general authority conferred upon them in Resolution 3 above as if the Section 89(1) of the Act did not apply to any such allotment PROVIDED THAT the power hereby conferred shall be limited:

- (i) to the allotment of equity securities for cash in connection with a rights issue;
- (ii) to the allotment, otherwise than pursuant to subparagraph (i) above of equity securities having, in the case of the relevant shares (as defined in Section 94(5) of the Act), an aggregate nominal value or, in the case of other equity securities giving the right to subscribe for or convert into relevant shares, having an aggregate nominal value not exceeding £136,582.30 being 5% of the nominal amount of the issued share capital immediately following the issue of shares made pursuant to Resolution 2 above (assuming no Scheme Shares are allotted)

such power to expire 15 months after the date of the passing of this Resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 1997 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, notwithstanding such expiry, the Directors may allot equity securities in pursuance of such offer or agreement as if the said power had not expired;

- (b) the foregoing power shall supersede the power conferred on the Directors by the resolution numbered 1.4.3 passed at the Extraordinary General Meeting of the Company held on 19th June 1995 which power shall be terminated upon the passing of this Resolution, but without prejudice to any action taken thereunder prior to such termination;
- (c) for the purposes of this Resolution "rights issue" means an offer of equity securities open for acceptance for a period fixed by the Directors to members on the register on a fixed record date in proportion to their respective holdings but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory.

A handwritten signature in black ink, appearing to be 'R. H. O. O.', written over a dotted line.

CHAIRMAN