

No: 3256483

The Companies Act 1985

Company limited by shares

Written resolutions of

Pinnacle Group Limited

(passed on 4 August 1998)



The following resolutions were passed as unanimous written resolutions by all the members of the Company entitled to attend and vote at an extraordinary general meeting of the Company on 4 August 1998 and shall, for the purposes of article 4 of the Company's existing articles of association, constitute the written consent of the holders of the different classes of shares in the capital of the Company to the variation, modification, abrogation or cancellation of the rights attaching to the relevant classes of shares as effected by the resolutions set out below.

That:

1. each of the "A" ordinary shares of £1 each in the capital of the Company be and is hereby re-classified as one ordinary share of £1 each having the rights attributable to such shares as are set out in the articles of association to be adopted pursuant to resolution 11 below ("the new Articles");
2. each of the "B" ordinary shares of £1 each in the capital of the Company be and is hereby re-classified as one ordinary share of £1 each having the rights attributable to such shares as are set out in the new Articles;
3. of the 1,402,631 "A" preference shares of £1 each in the capital of the Company registered in the name of Savills Finance Holdings plc:
 - (a) 117,710 thereof be and are hereby re-classified as 117,710 ordinary shares of £1 each; and
 - (b) 1,284,921 be and are hereby re-classified as 1,284,921 deferred shares of £1 each,

such shares having the respective rights attributable to them as are set out in the new Articles;

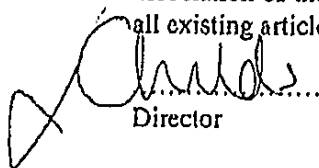
4. the number of "B" preference shares of £1 each in the capital of the Company registered in the names of the persons whose names appear in column 1 below and which are set out in column 2 below be and are hereby re-classified under the names given in column 3 below, such shares to rank pari passu with each other in all respects subject to the passing of resolution 5 below:

Name	Number of "B" preference shares of £1 each	Name following re-classification
Curzon Secretaries & Trustees Limited	1,067,318	Curzon shares
Owen Hampden Inskip	355,051	OHI shares
Timothy Saunders	63,000	TS shares
John Andrew Swinney	33,750	JAS shares
Lisbeth Ann Childs	20,250	LAC shares

5. the following numbers and classes of shares of £1 each arising from the re-classification effected by the passing of resolution 4 above and referred to in column 1 below, be and are hereby re-classified as the numbers of deferred shares of £1 each, preference shares of £1 each and ordinary shares of £1 each referred to in columns 2, 3 and 4 below, respectively, all such shares having the respective rights attributable to them as are set out in the new Articles:

No. and class of shares	Deferred shares of £1 each	Preference shares of £1 each	Ordinary shares of £1 each
1,067,318 Curzon shares	0	1,067,318	0
355,051 OHI shares	0	355,051	0
63,000 TS shares	57,696	0	5,304
33,750 JAS shares	30,926	0	2,824
20,250 LAC shares	18,527	0	1,723

6. that each of the remaining 108,000 unissued "B" preference shares of £1 each and 24,000 "B" ordinary shares of £1 each in the capital of the Company be and is hereby re-classified as one ordinary share of £1 each, having the rights attributable to such shares as are set out in the new Articles;
7. the authorised share capital of the Company be and it is hereby increased by £400,000 to £3,700,000 by the creation of an additional 400,000 ordinary shares of £1 each, ranking pari passu in all respects as one class of shares with the existing ordinary shares of £1 each in the capital of the Company arising from the re-classifications effected by the passing of resolutions 1-6 above;
8. the directors be and they are generally and unconditionally authorised for the purposes of Section 80 Companies Act 1985 to allot, or to grant any right to subscribe for or to convert any security into, shares in the Company up to a maximum nominal amount of £399,177 at any time or times during the period from the date of the passing of this resolution up to and including 31 December 1998 on which date this authority shall expire and this authority shall allow the Company to make an offer or agreement before the expiry of the authority which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after the expiry of the authority;
9. the directors be and they are generally authorised pursuant to section 95 of the Companies Act 1985 to allot equity securities (as defined in section 94(2) of that Act) up to a nominal value of £399,177 pursuant to the authority given in resolution 8 above as if sections 89(1) and 90(1) to (6) of that Act did not apply to such allotment provided that this power shall expire on 31 December 1998;
10. the Company be and is hereby authorised pursuant to Part V of the Companies Act 1985 and the existing Articles of Association of the Company to purchase its own shares in accordance with a proposed agreement for the purchase by the Company of an aggregate of 1,392,070 deferred shares of £1 each, for an aggregate consideration of £4, from the persons listed in the schedule to the agreement, a draft of which is attached to these resolutions which contract is hereby approved.
11. the draft regulations contained in the printed document attached to this resolution be and they are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all existing articles of association of the Company.


Director