

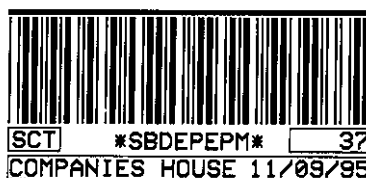
Company No: SC25853

**COMPANIES ACT 1985**  
**COMPANY LIMITED BY SHARES**  
**RESOLUTIONS**  
**of**  
**HAY & ROBERTSON Plc**  
**(Passed on 29 August 1995)**

At a duly convened Extraordinary General Meeting of the above named Company held at 20 Old Bailey, London, EC4M 7BH on 29 August 1995, the following Resolutions were duly passed.

**SPECIAL RESOLUTION**

1. THAT subject to and conditional upon the passing, at the separate general meetings of the holders of the 5 per cent cumulative preference shares of £1 each of the Company ("Preference Shares") and the ordinary shares of 20p each of the Company, of the extraordinary resolutions set out on pages 15 and 16 of the Company's circular dated 2 August 1995 ("the Circular"):
  - (1) each of the 750,000 ordinary shares of 20p each in the capital of the Company in issue at the date hereof be and are hereby sub-divided into twenty shares of 1p each, of which one share shall be an ordinary share of 1p ("new Ordinary share") and nineteen shares shall be converted into and reclassified as deferred shares of 1p each ("Deferred shares") having the following rights and being subject to the following restrictions:
    - (a) no right to participate in any dividends declared, made or paid by the Company;
    - (b) the right on a return of assets in a winding up to the repayment of the capital paid up on such share after the rights of all holders of Preference shares and new Ordinary shares have been discharged in full and the sum of £1,000,000 has been



paid in respect of each issued new Ordinary share in the capital of the Company but no other right to participate in the assets of the Company; but so that none of the rights and restrictions attached to the Deferred shares shall be or be deemed to be varied or abrogated in any way by the passing or coming into effect of any special resolution of the Company to reduce its share capital (including a special resolution to reduce the capital paid up on, and cancel, the Deferred shares); and

- (c) no right to receive notice of or to attend at any general meeting of the Company (save separate class meetings of holders of Deferred shares);
- (2) the authorised share capital of the Company be and is hereby increased by £192,500 from £272,000 to £464,500 by the creation of 19,250,000 additional new Ordinary shares;
- (3) for the purposes of section 80 of the Companies Act 1985 ("the Act") the directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot, grant options over, offer or otherwise deal with or dispose of relevant securities (within the meaning of the said section 80) of the Company up to an aggregate nominal amount equal to £172,500; provided that the authority hereby conferred shall expire on whichever is the earlier of the conclusion of the next annual general meeting of the Company or the date falling 15 months from the date of the passing of this resolution save that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities of the Company to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired and such authority shall be in substitution for any previous authority to allot relevant securities conferred upon the directors;
- (4) the directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (as defined in section 94(2) of the Act) pursuant to the authority conferred upon them by paragraph (3) of this resolution (as varied from time to time by the Company in general meeting) as if section 89(1) of the Act did not apply to such allotment; provided that such power shall be limited to:

- (i) the allotment of up to 14,250,000 new Ordinary shares pursuant to the Subscription (as defined in the Circular) and the Placing (as defined in the Circular);
- (ii) the allotment of up to 750,000 new Ordinary shares pursuant to an option agreement between the Company and Lance Anthony Yates to be dated 29 August, 1995;
- (iii) the allotment of up to 1,500,000 new Ordinary shares pursuant to the Share Option Scheme (as defined in the Circular);
- (iv) the allotment (otherwise than pursuant to sub paragraphs (i) to (iii) above) of equity securities up to an aggregate nominal amount of £7,500 representing five per cent. of the ordinary shares of the Company in issue immediately following the completion of the Subscription (as defined in the Circular) and the Placing (as defined in the Circular);

and shall expire on whichever is the earlier of the conclusion of the next annual general meeting of the Company or the date falling 15 months from the date of the passing of this resolution unless renewed or extended prior to or at such meeting, except that the Company may before the expiry of any power contained in this resolution (4) 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 offer or agreement as if the power conferred hereby had not expired;

- (5) the draft new articles of association, in the form produced to the meeting and signed by the chairman for the purposes of identification, be and are hereby adopted as the articles of association of the Company in substitution for the existing articles of association;
- (6) the capital of the Company be and is hereby reduced from £464,500 divided into 20,000,000 new Ordinary shares, 122,000 Preference shares and 14,250,000 Deferred shares to £322,000 divided into 20,000,000 new Ordinary shares and 122,000 Preference shares and that such reduction be effected by cancelling and extinguishing each of the

14,250,000 Deferred shares;

- (7) an amount not exceeding £1,282,500 of the share premium account standing in the books of account of the Company following the issue and allotment of 14,250,000 new Ordinary shares pursuant to the Subscription (as defined in the Circular) and Placing (as defined in the Circular) be cancelled and that consequent upon confirmation of such cancellation by the Court the directors be and are hereby authorised to create a special reserve account of an amount which is equivalent to the share premium account so cancelled on the basis that such special reserve shall be governed by such undertaking as the Court may require of the Company with regard to the uses to which such special reserve account may be applied.
- (8) the waiver of any requirement pursuant to rule 9 of the City Code on Takeovers and Mergers that Kylemore Investments Limited, Lance Anthony Yates and Clive Garston make a general offer to shareholders of the Company as a result of acquiring new Ordinary shares pursuant to the terms of the Subscription (as defined and more particularly described in the Circular) be and is hereby approved;
- (9) the subscription for 5,603,500 new Ordinary shares in the capital of the Company by Kylemore Investments Limited, as described in the Circular, be and is hereby approved and that the directors of the Company be and they are hereby authorised to do all acts, matters and things necessary to put the same into effect;
- (10) the subscription for 2,250,000 new Ordinary shares in the capital of the Company by Lance Anthony Yates as described in the Circular, be and is hereby approved and that the directors of the Company be and they are hereby authorised to do all acts, matters and things to put the same into effect;
- (11) the subscription for 250,000 new Ordinary shares in the capital of the Company by Clive Garston as described in the Circular, be and is hereby approved and that the directors of the Company be and they are hereby authorised to do all acts, matters and things to put the same into effect;

- (12) the H & R Executive Share Option Scheme to be constituted by Rules produced in draft to this meeting and signed by the Chairman for the purpose of identification, be and are hereby approved, and the directors be and are hereby authorised to cause such Rules to be adopted in the form of such draft (modified in such manner as they shall consider necessary or desirable to render the Scheme capable of approval by the Inland Revenue pursuant to the provisions of the Income and Corporation Taxes Act 1988) and to do all acts and things which they may consider necessary or expedient for the purpose of carrying the said scheme into effect and the directors be and are hereby authorised to vote, and be counted in the quorum, on any matter connected with the said scheme, notwithstanding that they may be interested in the same (except that no director may be counted in a quorum or vote in respect of his own participation) and that the prohibition on voting by interested directors contained in the articles of association of the Company be hereby relaxed to that extent accordingly.

#### **ORDINARY RESOLUTION**

2. THAT subject to and conditional upon the passing, at the separate general meetings of the holders of the 5 per cent. cumulative preference shares of £1 each of the Company and the ordinary shares of 20p each of the Company, of the extraordinary resolutions set out on pages 15 and 16 of the Company's circular dated 2 August 1995 the grant by the Company to Lance Anthony Yates of an option to subscribe for up to 750,000 new Ordinary shares in the Company at a subscription price of 10p per share, in the form produced to the meeting and signed by the Chairman for the purposes of identification, be and is hereby approved and that the directors of the Company be and they are hereby authorised to do all acts, matters and things necessary to put the same into effect.



Chairman