

Company No. 133540

THE COMPANIES ACT 1985 AND 1989

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COMPANY LIMITED BY SHARES

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RESOLUTIONS

OF

PROGRESSIVE FINANCIAL SERVICES LIMITED

Passed on 23 December 2002

ORDINARY RESOLUTIONS

1. **THAT** the authorised share capital of the Company be increased from £5,000 to £101,005,000 by the creation of 100,000,000 ordinary shares of £1 each and 100,000,000 Irredeemable Preference Shares of £0.01 each having the rights set out in the articles of association of the Company as amended by resolution 3.
2. **THAT** pursuant to section 80 of the Act, the directors of the Company be and hereby are authorised generally and unconditionally to allot relevant securities of the Company (as defined in section 80 of the Act) up to an aggregate nominal amount of £101,005,000 provided that this authority, unless renewed, shall expire on the date five years from the date on which this resolution is passed save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the directors may allot the relevant securities in pursuance of such offer or agreement, as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS

3. **THAT** the articles of association of the Company be amended as follows:
  - 3.1 the following article be inserted between current article 1 and current article 2 as a new article 1A:

"1A.1 **SHARE CAPITAL**

The share capital of the Company as at the date of the latest amendment to these Articles of Association is £101,005,000 divided into:



- 1A.1.1 100,000,000 ordinary shares of £1 each and 500,000 ordinary shares of £0.01 each (together the "Ordinary Shares"); and
- 1A.1.2 100,000,000 irredeemable preference shares of £0.01 each (the "Irredeemable Preference Shares").

#### **RIGHTS ATTACHING TO IRREDEEMABLE PREFERENCE SHARES**

- 1A.2 The Ordinary shares and the Irredeemable Preference Shares shall rank pari passu in all respects save as set out below:

1A.2.1 **Dividends**

- (a) As to income, the Irredeemable Preference Shares shall confer upon the holders thereof the right in priority to any payment by way of dividend of the Company to receive a cumulative preferential dividend (the "Preferential Dividend").
- (b) The Preferential Dividend shall for every twelve month period in respect of each Irredeemable Preference Share from time to time in issue be:

$$((A + 4.68\%) \times 100 \times £0.01)$$

where A is as defined in 1A.2.1(d) below.

- (c) Subject to Part V111 of the Companies Act 1985, the Preferential Dividend shall:
- (i) be paid in arrears at twelve monthly intervals one each anniversary of the date of the first issue by the Company of any Irredeemable Preference Shares (the "Dividend Reference Rate"); and
- (ii) without any resolution of the Directors or the Company in General Meeting (notwithstanding anything contained in Regulations 102 to 108 (inclusive) of Table A) accrue from day to day and on each such Dividend Reference Date become a debt due from and immediately payable by the Company to the holders of the Irredeemable Preference Shares pro rata according to the number of Irredeemable Preference Shares held by each such shareholder, as the case may be.
- (d) For the purpose of article 1A.2.1(b) above 'A' shall be equal to twelve month sterling LIBOR expressed as a percentage, being:

- (i) the rate per annum of the offered quotation for twelve month sterling deposits of and in an amount equal or comparable to the aggregate market value on the date of issue of all of the issued Irredeemable Preference Shares in the capital of the Company as at the date falling thirty days prior to the date of first issue by the Company of any Irredeemable Preference Shares (for the period from such date until the day before the first Dividend Reference Date ) or the relevant Dividend Reference Date (for all subsequent periods beginning on such Dividend Reference Date and ending on the day before the next following Dividend Reference Date) which appears on Telerate Page 3740 or 3750 (or any replacement page on the Telerate service) at or about 11.00 am on the relevant date; or
- (ii) if no such display rate is then available for such sterling deposits, then the arithmetic mean (rounded up, if necessary, to the nearest four decimal places with the mid-point rounded up) of the rates notified to the Company at the Company's request by each of two Clearing Banks to leading banks in the London Interbank market at or about 11.00 am (London time) thirty days prior to the relevant Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be) for twelve month sterling deposits in an amount equal or comparable to the aggregate market value on the date of issue of all of the issued Irredeemable Preference Shares in the capital of the Company as at the relevant Dividend Reference Date, and for the purposes of this article a 'Clearing Bank' shall be any of Royal Bank of Scotland plc, Lloyds TSB plc, Barclays Bank plc and HSBC plc.
- (iii) If, in respect of any Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be):
  - (a) no (or only one) Clearing Bank notifies a rate to the Company in response to the Company's request as contemplated by paragraph (ii) above; or
  - (b) on the basis of notification from one or more Clearing Banks, the Company determines that either twelve month sterling deposits are not available in the London Inter-Bank Market at or about 11.00 am (London time) thirty days prior to

the relevant Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be) in an amount equal or comparable to the aggregate market value on the date of issue of all of the issued Irredeemable Preference Shares in the capital of the Company as at the relevant Dividend Reference Date or the rates notified by the Clearing Banks do not accurately reflect the cost to such Clearing Banks of obtaining such deposits; or

- (c) the Company determines that, by reason of circumstances affecting the London Inter-Bank Market, adequate or fair means do not or will not exist for determining the rate applicable for twelve month sterling deposits, the Company shall promptly notify every holder of Irredeemable Preference Shares and negotiate with the holder of Irredeemable Preference Shares an alternative basis for calculating the value of 'A'.
- (iv) If an alternative basis for calculating the value of 'A' is not agreed among the Company and the holder of Irredeemable Preference Shares within 10 days of the Company becoming aware that the conditions in (iii) above are satisfied, the value of 'A' shall be determined by an independent bank appointed by agreement between the Company and the holders of Irredeemable Preference Shares or, in the event of a failure to reach such an agreement, appointed on the application of the Company or any holder of Irredeemable Preference Shares by the President for the time being of the Law Society of England and Wales
- (e) The Irredeemable Preference Shares shall not confer upon the holders thereof any right to participate in the profits of the Company beyond the Preferential Dividend.

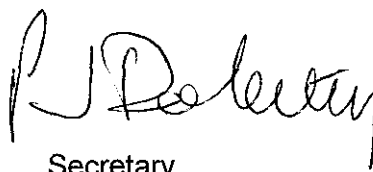
#### **1A.2.2 Capital**

- (a) On a distribution of assets on a winding up or other return of capital, the surplus assets of the Company remaining after payment of its liabilities shall be paid in the following order of priority:

- (i) first in repaying to the holders of Irredeemable Preference Shares the nominal value paid up on each such Irredeemable Preference Share held by them on the date of the distribution or other return;
  - (ii) secondly in paying to the holders of Irredeemable Preference Shares any amount of the Preferential Dividend due but unpaid on the date of the distribution or other return;
  - (iii) thirdly in paying to the holders of Irredeemable Preference Shares £0.99 per each Irredeemable Preference Shares held by them on the date of the distribution or other return; and
  - (iv) thereafter any surplus shall be paid to the holders of Ordinary shares pro rata.
- (b) The Irredeemable Preference Shares shall not confer upon the holders thereof any further right to participate in the assets of the Company available for distribution among the members of the Company.

#### 1A.2.3 Voting

The Irredeemable Preference Shares shall not confer upon the holder thereof any right to receive notice of, attend or vote at a General Meeting."



Secretary