

**THE COMPANIES ACTS 1985 AND 1989**

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**COMPANY LIMITED BY SHARES**

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**SPECIAL RESOLUTIONS**

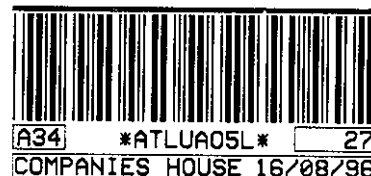
of

**TELEGRAPH GROUP LIMITED**

At an extraordinary general meeting of the Company held at 1 Canada Square, Canary Wharf, London E14 5DT on 5 August 1996 the following resolutions were passed as special resolutions:

**SPECIAL RESOLUTIONS**

2. THAT, subject to the passing of resolution 1, the directors be generally empowered pursuant to section 95 of the Companies Act 1985 (the "Act"), to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by resolution 1 as if section 89(1) of the Act did not apply to the allotment. This power expires when the authority conferred by resolution 2 is revoked or would, if not renewed, expire, but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement.
3. THAT, subject to compliance with sections 155-158 of the Companies Act 1985, the giving by the Company of financial assistance for the purpose of reducing or discharging a liability incurred for the purpose of the acquisition by First DT Holdings Limited of 1,645,375 "A" ordinary shares of 10 pence each and 49,049,284 "B" ordinary shares of 10 pence each in the Company, as described in the statutory declaration of 5 August 1996 and made by all the Company's directors on Companies Form 155(6)(a) (a copy of which together with the annexed report by the Company's auditors is available for inspection by the members at this meeting) be and is hereby approved.



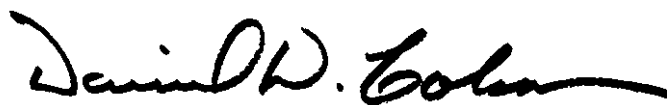
4. THAT, subject to compliance with sections 155-158 of the Companies Act 1985, the giving by the Company's wholly-owned subsidiary Creditscheme Limited of financial assistance for the purpose of reducing or discharging a liability incurred for the purpose of the acquisition by First DT Holdings Limited of 1,645,375 "A" ordinary shares of 10 pence each and 49,049,284 "B" ordinary shares of 10 pence each in the Company as described in the statutory declaration of 5 August 1996 and made by all the Company's directors on Companies Form 155(6)(b) (a copy of which together with the annexed report by the Company's auditors is available for inspection by the members at this meeting) be and is hereby approved.
5. THAT, subject to compliance with sections 155-158 of the Companies Act 1985, the giving by the Company's wholly-owned subsidiary Deedtask Limited of financial assistance for the purpose of reducing or discharging a liability incurred for the purpose of the acquisition by First DT Holdings Limited of 1,645,375 "A" ordinary shares of 10 pence each and 49,049,284 "B" ordinary shares of 10 pence each in the Company as described in the Statutory Declaration of 5 August 1996 and made by all the Company's directors on Companies Form 155(6)(b) (a copy of which together with the annexed report by the Company's auditors is available for inspection by the members at this meeting) be and is hereby approved.
6. THAT, subject to compliance with sections 155-158 of the Companies Act 1985, the giving by the Company's indirectly wholly-owned subsidiary Telegraph Australian Holdings Limited of financial assistance for the purpose of reducing or discharging a liability incurred for the purpose of the acquisition by First DT Holdings Limited of 1,645,375 "A" ordinary shares of 10 pence each and 49,049,284 "B" ordinary shares of 10 pence each in the Company as described in the statutory declaration of 5 August 1996 and made by all the Company's directors on Companies Form 155(6)(b) (a copy of which together with the annexed report by the Company's auditors is available for inspection by the members of the meeting) be and is hereby approved.
7. THAT, with effect from the date on which this resolution is passed, the articles of association of the Company be altered by:
  - (i) adding the following words at the end of article 3(B)(2)(d): 'and the nominal amount of the "C" Ordinary Shares shall be deemed to be 9.998 pence each';
  - (ii) adding the following as article 3(B)(6):

(6) AS REGARDS "C" ORDINARY SHARES

The following rights and restrictions attach to the "C" Ordinary Shares:

- (a) The Company has the right (subject to the provisions of these Articles and the Companies Acts) to redeem all or some of the "C" Ordinary Shares outstanding at any time.
- (b) The amount payable on such redemption shall be such amount as shall be agreed between the holder of the "C" Ordinary Shares to be redeemed and the Company, or failing agreement between the parties within one week of service of the relevant "C" Ordinary Share Redemption Notice (defined in article 3(B)(6)(c) below), the fair market value of such "C" Ordinary Shares as determined by the Company's auditors acting as experts in their sole discretion and on the basis that their decision shall be binding in the absence of manifest error ( the "Redemption Price").
- (c) Redemption shall be effected by giving to the holders of the "C" Ordinary Shares to be redeemed not less than one week's notice (a "C" Ordinary Shares Redemption Notice"). The "C" Ordinary Shares Redemption Notice shall specify the "C" Ordinary Shares to be redeemed, the date fixed for redemption, being a date certain or if later the date on which the Redemption Price is determined (the "C" Ordinary Shares Redemption Date") and the place at which the certificates for the "C" Ordinary Shares are to be presented for redemption. If some only of the "C" Ordinary Shares are to be redeemed, the board shall for the purpose of ascertaining the shares to be redeemed cause a drawing to be made at the office (or at such other place as the board decides) in the presence of a representative of the auditors.
- (d) On the "C" Ordinary Shares Redemption Date each holder whose "C" Ordinary Shares are to be redeemed shall be bound to deliver to the Company at the place stated in the "C" Ordinary Shares Redemption Notice the certificate (or certificates) for those shares. On receipt, the Company shall pay to the holder (or, in the case of joint holders, to the holder whose name stands first in the register in respect of the "C" Ordinary Shares) the redemption moneys due to him. If a certificate includes "C" Ordinary Shares not redeemable on that occasion, a new certificate for the balance of the "C" Ordinary Shares shall be issued to the holder without charge.

- (e) If a holder whose "C" Ordinary Shares are to be redeemed under this paragraph 3(6) fails to deliver the certificate (or certificates) for those shares to the Company, the Company may retain the redemption moneys. The redemption moneys shall be paid to the holder (by cheque despatched at the holder's risk) within five business days of receipt of the relevant certificate (or certificates) or an indemnity in respect of the certificate (or certificates) in a form satisfactory to the board. No person shall have a claim against the Company for interest on retained redemption moneys.
- (f) The board may, pursuant to the authority given by the adoption of this article, consolidate and sub-divide the share capital available for issue as a consequence of a redemption of "C" Ordinary Shares pursuant to these paragraphs. Any such consolidation and sub-division may be into any other class of share into which the authorised share capital of the Company is at the time divided, each of a like nominal amount as the shares of that class then in issue, or into unclassified shares of the same nominal amount as the "C" Ordinary Shares. The board may issue shares in anticipation of redemption to the extent permitted by the Companies Acts and the articles.
- (g) "C" Ordinary Shares may only be issued fully paid or credited as fully paid.';
- (iii) in the definition of "Relevant Shareholder" in article 164, substituting for the conjunction "or" where it first appears a comma and after "TelHoldco" inserting the words "or Hollinger International Publishing Inc.";
- (iv) the deletion of the following words from the end of article 100(E) "(and except in the case of an office or place of profit with any such company as aforesaid) where the other company is a company in which the Director owns one per cent or more within the meaning of paragraph (I) below."; and
- (v) the deletion of paragraphs (I), (J) and (K) of article 100;
8. THAT 14,900,000 of the existing authorised but unissued ordinary shares of 10p each in the capital of the Company be designated as new "C" Ordinary Shares, with the rights and subject to the restrictions set out in the articles of association of the Company as amended by special resolution 7(ii).



Chairman