

Number of Company: 617579 C/N 18/4/97

The Companies Act, 1948
and
The Companies Act, 1985
Company Limited by Shares

SPECIAL AND ORDINARY RESOLUTIONS

(Passed pursuant to sections 9, 28,
121, 125, 162, 164 and 378
Companies Act, 1985)

of

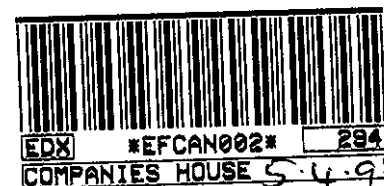
F.J. PAYNE & SON LIMITED

PASSED on the 27th day of March 1997

At an EXTRAORDINARY GENERAL MEETING of the Members of the above-mentioned Company, duly convened and held at West Way House, Elms Parade, Oxford OX2 9LL on the Twenty-seventh day of March 1997, the following resolutions, numbered 1 and 2, were duly passed as SPECIAL RESOLUTIONS, the following resolutions, numbered 3 and 4, were duly passed as ORDINARY RESOLUTIONS and the following resolutions, numbered 5, 6 and 7, were duly passed as SPECIAL RESOLUTIONS:-

SPECIAL RESOLUTIONS

1. That the 2,749 fully paid ordinary shares of £1 each which are registered as to 2,249 shares in the name of Timothy Alfred Payne and as to 500 shares in the name of Frances Louise Payne be



designated "B" shares and the remaining 7,251 shares of which 2,000 shares are unissued and of which 5,251 shares are issued and are registered as to 3,551 shares in the name of John Charles Payne as to 1,350 shares in the name of Barbara Helen Payne as to 200 shares in the name of Helen Christine Alice Payne and as to 150 shares in the name of Cynthia Joan Merrow-Smith be designated "A" shares and that such "A" shares and "B" shares shall as from the date hereof carry the respective rights and restrictions following (namely):-

(i) The "B" shares shall entitle the holders rateably in proportion to the number of shares of that class held by them respectively to participate in so much only of the profits and assets of the Company as shall be derived from the subsidiary of the Company Soundchoice Services Limited to the exclusion of any participation by the holders of shares of any other class.

(ii) The "A" shares shall entitle the holders rateably in proportion to the number of shares of that class held by them respectively to participate to the exclusion of the holders of shares of any other class in the remainder of the profits and assets of the Company which shall bear all the operating and administrative expenses of the Company not directly attributable to the management of Soundchoice Services Limited.

(iii) The shares of each class shall rank for dividend rateably inter se according to the capital paid-up on them respectively but without regard to the amount of dividend if any paid on the shares of the other class and on a winding-up of the Company the assets available for the members shall be distributed amongst those who would have been entitled to them if such assets had

been distributed by way of dividend and in the same proportions.

(iv) The certificate of the auditors of the Company as to the amount of profits attributable to the "A" shares and the "B" shares respectively for any accounting reference period and of the assets so attributable on a winding-up of the Company shall in the absence of manifest error be conclusive.

(v) On any resolution of the Company declaring a dividend or capitalising reserves only the holders of shares of the class entitled to participate in the dividend shall be entitled to vote and on any such capitalisation only those shareholders who would have participated in the capitalisation if the reserve had been distributed by way of dividend shall receive any allotment of fully paid shares which shall consist of further shares of the same class as those held by the members participating in such allotment.

(vi) Subject as aforesaid at a general meeting every member shall on a show of hands have one vote and on a poll one vote for every share held by him and the shares of the classes shall rank pari passu as one class in all respects save that the Company shall not sell or charge Soundchoice Services Limited without the previous consent or sanction of the holders of the "B" shares given pursuant to the Companies Act, 1985 section 125.

2. That the Articles of Association of the Company be and they are hereby altered in manner following (that is to say):-

2.1. By re-numbering the existing Article 46 "46A".

2.2. By inserting the following new Article, to be numbered "46B", immediately after Article 46A:-

"Subject to the provisions of the Companies Act

1985, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares."

ORDINARY RESOLUTIONS

3. That the Company be and it is hereby authorised to enter into an Agreement with Soundchoice Services Limited, its wholly owned subsidiary, for the purchase by Soundchoice Services Limited as a going concern of the undertaking and assets of the motor and general engineering trade of the Company, such undertaking and assets being specified in the First Schedule to that Agreement a draft copy of which has been laid before the meeting and initialled by the Chairman for the purpose of identification.

4. That on the recommendation of the Directors of the Company and in accordance with Articles 114 and 120 of the Company's Articles of Association a dividend be and it is hereby declared to be made to the "B" shareholders of the Company in proportion to their holdings of "B" shares in the capital of the Company such dividend to be satisfied by the distribution in specie of the entire issued share capital of Soundchoice Services Limited the wholly owned subsidiary of the Company

SPECIAL RESOLUTIONS

5. That the off-market purchase of 2,249 "B" shares of £1 each in the capital of the Company from Timothy Alfred Payne on

the terms of the proposed contract to be made between the Company and the said Timothy Alfred Payne, as laid before the meeting and initialled by the Chairman for the purpose of identification, be and is hereby approved.

6. That the off-market purchase of 500 "B" shares of £1 each in the capital of the Company from Frances Louise Payne on the terms of the proposed contract to be made between the Company and the said Frances Louise Payne, as laid before the meeting and initialled by the Chairman for the purpose of identification, be and is hereby approved.

7. That the name of the Company be changed to:-

"J.C. PAYNE ENGINEERING LIMITED"

J.C. PAYNE

Chairman

Presented to the Registrar of
Companies on the First
day of April 1997