

**RONSON PLC**  
(Registered in England No. 1907889)

**RESOLUTIONS PASSED AT EXTRAORDINARY GENERAL MEETING**

At an Extraordinary General Meeting of the Company held at 25 Luke Street, London EC2A 4AR, on 18 September 1998 at 2.10 pm the following resolutions were passed:

**SPECIAL RESOLUTIONS**

1. THAT, subject to and conditional upon the passing of resolutions 2 and 3 below:
  - (A) each existing issued and unissued ordinary share of 5p in the capital of the Company be and is hereby sub-divided and reclassified as one ordinary share of 0.01p and one deferred share of 4.99p in the capital of the Company, such deferred shares each having attached to them the rights and privileges and being the subject to the limitations and restrictions set out in Article 3 (B) of the Articles of Association of the Company as amended by resolution 2 below;
  - (B) the authorised share capital of the Company as amended pursuant to paragraph (A) above be and is hereby increased from £6,849,201 to £20,000,000 by the creation of 131,382,672,700 new ordinary shares of 0.01p each ranking *pari passu* in all respects with the existing issued and unissued ordinary shares of 0.01p each in the capital of the Company created pursuant to paragraph (A) above and 125,317,342 convertible shares of 0.01p each, such convertible shares having attached to them the rights and privileges and being subject to the limitations and restrictions set out in Article 3(C) of the Articles of Association of the Company as amended by resolution 2 below;
  - (C) (i) the Directors be and they are hereby generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities, as defined in Section 80(2) of the Act, up to a maximum aggregate nominal amount of £147,687.05 PROVIDED THAT this authority shall expire five years from the date of the passing of this Resolution (but shall be capable of revocation or variation within that period by the Company in general meeting) save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors shall be entitled to allot relevant securities pursuant to any such offer or agreement as if this authority had not expired;



- (ii) the authority conferred by paragraph (C)(i) of this resolution shall be in substitution for any and all previous authorities to allot relevant securities conferred by resolution of the Company pursuant to Section 80 of the Act or otherwise, which are hereby revoked to the extent that they have not been previously utilised, but without prejudice to any allotment, offer or agreement made or entered into prior to the passing of this resolution;

- (D) (i) the Directors be and they are hereby empowered pursuant to Section 95 of the Act for a period expiring at the earlier of 15 months from the date this resolution is passed and the conclusion of the next annual general meeting of the Company to allot equity securities, as defined in Section 94(2) of that Act for cash pursuant to the authority conferred by paragraph (C) of this Resolution (or any authority conferred on the Directors in substitution therefor) as if Section 89(1) of the Act did not apply to such allotment PROVIDED THAT this power shall be limited to:-

- (a) the allotment of 850,283,822 ordinary shares of 0.01p each in the Company in connection with the placing and open offer by the Company, as described in the prospectus (the "Prospectus") of the Company dated 26 August 1998 (the "Placing and Open Offer");
- (b) the allotment of 125,317,342 convertible shares of 0.01p each in the Company in connection with the subscription for such convertible shares as described in the Prospectus (the "Subscription");
- (c) the issue of warrants to subscribe for up to 93,988,006 ordinary shares of 0.01p each in the capital of the Company ("Warrants") as described in the Prospectus ("Issue of Warrants");
- (d) the allotment of equity securities in connection with an offer by way of rights in favour of ordinary shareholders and others entitled to participate in such offer where the equity securities respectively attributable to the interests of ordinary shareholders and others so entitled are, subject only to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising in any overseas territory or the requirements of any regulatory body or stock exchange or any other matter whatsoever, proportionate (as nearly as may be) to the respective number of ordinary shares held or deemed to be held by them;
- (e) the allotment (otherwise than pursuant to sub-paragraphs 3(D)(a)-(c) above) of equity securities up to an aggregate

nominal amount of £115,918.54 (representing 5 per cent. of the issued share capital of the Company following the issue of ordinary shares of 0.01p each in the capital of the Company following the Placing and Open Offer, the Subscription and the Issue of Warrants and further PROVIDED THAT the authority pursuant to this resolution 1(D)(e) may only be exercised from time to time by the Directors acting unanimously;

- (ii) the authority conferred by this resolution shall be in substitution for any and all previous powers to allot equity securities as if Section 89(1) of the Act did not apply conferred by resolution of the Company pursuant to Section 95 of the Act or otherwise, which are hereby revoked to the extent that they have not previously been utilised, but without prejudice to any allotment, offer or agreement made or entered into prior to the passing of this Resolution.

2. THAT:-

- (A) The Articles of Association of the Company be altered by deletion of the existing Article 3 and the substitution therefor of the following new Article 3:-

"Capital

- 3. (A) The authorised share capital of the Company, at the date of adoption of this Article, is £20,000,000 divided into 131,519,659,720 ordinary shares of 0.01p each ("Ordinary Shares"), 136,984,020 deferred shares of 4.99p each ("Deferred Shares") and 125,317,342 convertible shares of 0.01p each ("Convertible Shares").

The special rights, restrictions and provisions applicable to the Deferred Shares and the Convertible Shares are as follows:-

Deferred Shares

- (B) (i) The holders of the Deferred Shares shall not, by virtue of or in respect of their holdings of Deferred Shares, have the right to receive notice of any general meeting of the Company or the right to attend, speak or vote at any general meeting of the Company and shall not be entitled to the payment of any dividend or other distribution. The Deferred Shares shall, on a return of assets on a winding-up or otherwise of the Company, entitle the holder only to the repayment of the nominal amounts paid up on such shares after repayment of the capital paid up on the Ordinary Shares and the Convertible Shares plus the payment of £10,000,000 per Ordinary Share and per Convertible Share. By virtue of the resolution adopting this article, the Company shall have irrevocable authority at any time to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the

same to such person as the Company may determine as custodian thereof, and/or to agree to the cancellation of the same, without making payment to the holders of the Deferred Shares, and/or agree to the purchase by the Company of the same (in accordance with the provisions of the Act) without making any payment to or obtaining the sanction of the holders thereof, and, pending such transfer and/or agreement to the transfer and/or cancellation and/or purchase, to retain the certificates relating to such shares. The rights attaching to the Deferred Shares shall not be deemed to be varied, modified or abrogated by the creation, allotment or issue of any shares in the capital of the Company of any class (whether ranking *pari passu* with or in priority to them). The passing of any resolution to cancel all or any of such Deferred Shares or anything done pursuant thereto in accordance with the provisions of this Article 3(B) shall be deemed not to constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares. The holders of Deferred Shares have no other rights under these Articles save as referred to in this Article 3(B).

- (ii) The Board may at any time resolve to redeem all or any of the Deferred Shares then in issue and such redemption shall be effected in accordance with the following provisions or in such other manner as may be permitted by law (and the Board may effect the redemption of some Deferred Shares in some ways and others in other ways at its sole discretion):
  - (a) all of the Deferred Shares shall be transferred by a person appointed by the Company on behalf of the holder(s) of the Deferred Shares to some other person willing to accept the same with a view to the redemption thereof by the Company at a price not exceeding 1p for all of the Deferred Shares redeemed at any one time;
  - (b) such redemption shall be effected upon the Company giving to the registered holders of such share or shares not less than 28 days' prior notice in writing of its intention to do so fixing a time and place for such redemption;
  - (c) at the time and place so fixed for such redemption, each such registered holder shall be bound to surrender to the Company the certificate for his Deferred Share or Shares which are to be redeemed in order that the same may be cancelled.

(C) Convertible Shares

- (i) The holders of the Convertible Shares shall be entitled *pari passu* with the holders of the Ordinary Shares, to receive any payment of dividends and other distributions out of the profits of the Company available for distribution and resolved to be distributed and to otherwise participate in the profits or reserves of the Company (including, without limitation, the capitalisation of profits or reserves (including any share premium account and capital redemption reserve) of the Company) *pari passu* with the holders of the Ordinary Shares.

(ii) Capital

On a return of capital (other than on conversion, redemption or repurchase of shares of any class) the assets of the Company available for distribution to shareholders shall be applied first in repaying to the holders of Ordinary Shares and holders of Convertible Shares *pari passu*, the nominal capital paid up or credited as paid up thereon, and second, in paying to the holders of Ordinary Shares and holders of Convertible Shares a fixed premium of the sum of £10,000,000 per Ordinary Share or Convertible Share held by them (as applicable) and in the event that insufficient assets are available, such sum shall be reduced pro-rata. Thereafter, and following payment to the holders of Deferred Shares of the nominal amounts paid up on such shares, the holders of the Convertible Shares shall be entitled to participate *pari passu* with the holders of Ordinary Shares in the surplus assets of the Company available for distribution.

(iii) Notice and voting at general meetings

The holders of the Convertible Shares shall, by virtue of and in respect of their holdings of Convertible Shares, be entitled *pari passu* with the holders of the Ordinary Shares to receive notice of, and to attend, speak and vote at every general meeting of the Company. Upon any resolution proposed at a general meeting of the Company on a show of hands each holder of Convertible Shares who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote and on a poll each such holder who is present in person or by proxy or by representative shall have one vote for every fully paid Ordinary Share to which he would be entitled upon the conversion of all of the Convertible Shares held by him at the Conversion Rate, as defined in paragraph (iv) below, in force at the date of such meeting.

(iv) Conversion

Subject as hereinafter provided the holder of the Convertible Shares shall be entitled at any time and in the manner set out in this paragraph (iv) to convert some or all of the Convertible Shares held by him into fully paid Ordinary Shares on the basis of 1 Ordinary Share for each Convertible Share (such rate, as adjusted from time to time as provided in paragraph (v) being the "Conversion Rate").

The right to convert may be exercised by the holder completing the Notice of Conversion endorsed on the share certificate relating to the Convertible Shares or a notice in such other form as the Directors may from time to time reasonably prescribe in lieu thereof in each case stating the number of Convertible Shares to be converted (in each case, a "Conversion Notice") and delivering the same to the registered office of the Company together with such other evidence (if any) as the Directors may reasonably require to prove the title and claim of the person exercising the right to convert.

A Conversion Notice once given may not be withdrawn without the consent in writing of the Directors.

Conversion of the Convertible Shares to which the Conversion Notice relates ("relevant Convertible Shares") shall be effected by the reclassification of each relevant Convertible Share as one Ordinary Share and in such case, the reclassification shall be effected pursuant to the authority given by the resolution adopting this Article or in such other manner as may be authorised by law and as the Directors shall (in accordance with the following provisions of this Article) from time to time determine for effecting the exercise of the conversion rights attaching to the relevant Convertible Shares.

To enable conversion to be effected, the Directors may elect to redeem the relevant Convertible Shares on any Conversion Date (as defined below) for a sum equal to the nominal capital paid up or credited as paid up thereon out of the profits of the Company which would otherwise be available for distribution. The Convertible Shares shall confer upon the holders thereof the right and obligation, in the event that the Convertible Shares held by them are the subject of a Conversion Notice (or if only some of the Convertible Shares held by them are the subject of a Conversion Notice then that number) and the Directors determine to redeem the same out of such profits as aforesaid, to subscribe for the appropriate number of Ordinary Shares at the applicable Conversion Rate at such premium, if any, as shall

represent the amount by which the redemption monies exceed the nominal amount of the Ordinary Shares to which they are so entitled; in any such case, the Conversion Notice given by a holder of Convertible Shares shall be deemed irrevocably to authorise and instruct the Directors to apply the redemption monies payable to such holder in subscribing for such Ordinary Shares at such premium, if any, as aforesaid.

To enable conversion to be effected, the Directors may, subject as herein provided and if duly authorised to allot such Ordinary Shares in accordance with the provisions of the Act and these Articles, determine to redeem the relevant Convertible Shares on any Conversion Date for a sum equal to the nominal capital paid up or credited as paid up thereon out of the proceeds of a fresh issue to the holders of the relevant Convertible Shares of the number of Ordinary Shares into which the relevant Convertible Shares are required to be converted at the applicable Conversion Rate, such issue to be at such premium, if any, as shall represent the amount by which the redemption monies in respect of the relevant Convertible Shares exceed the nominal amount of such Ordinary Shares. In such case, the Conversion Notice given by a holder of relevant Convertible Shares shall be deemed irrevocably:-

- (a) to have appointed any person selected by the Directors as such holder's agent with authority to apply an amount equal to the redemption monies in respect of his relevant shares in subscribing and paying on his behalf for the number of Ordinary Shares into which his relevant Convertible Shares are required to be converted at the Conversion Rate; and
- (b) to have authorised and instructed the Directors following the allotment of such Ordinary Shares to pay the said redemption monies to such agent who shall be entitled to retain the same for his own benefit without being accountable therefor to such holder.

The holders of the Convertible Shares shall have the right and obligation, in the event that such shares are the subject of a Conversion Notice and that the Directors determine to redeem the same out of the proceeds of a fresh issue, to subscribe in accordance with this provision for the appropriate number of Ordinary Shares at the Conversion Rate at such premium (if any) as shall represent the amount by which the redemption monies in respect of the Convertible Shares exceed the total nominal amount of the Ordinary Shares to which they are entitled.

To enable conversion to be effected the Directors may, if duly authorised to allot such Ordinary Shares in accordance with the requirements of the Act and these Articles, determine to redeem the

relevant Convertible Shares on the Conversion Date in accordance with the provisions of this paragraph for a sum equal to the nominal capital paid up or credited as paid up thereon (a) in part, up to an amount equal to any applicable stamp or transfer duty in respect of the renunciation hereinafter mentioned, out of the profits of the Company which would otherwise be available for distribution and (b) in part out of the proceeds of a fresh issue of the number of Ordinary Shares into which the Convertible Shares are required to be converted at the Conversion Rate, such issue to be at such premium (if any) as shall represent the excess of the total nominal value of the Convertible Shares over the total nominal value of such Ordinary Shares less an amount equal to any applicable stamp or transfer duty in respect of the renunciation hereinafter mentioned. In the event the Directors shall arrange for the allotment of the appropriate number of Ordinary Shares to some person selected by them on terms that such person will subscribe and pay for such Ordinary Shares at such premium (if any) as aforesaid and renounce the allotment of such Ordinary Shares in favour of the holders of the Convertible Shares (and will also pay any applicable stamp or transfer duty in respect of such renunciation) against payment to such subscriber by the Company of the redemption monies in respect of such shares so redeemed (which redemption monies shall be equal to the nominal amount of the Convertible Shares). The Conversion Notice given by a holder of Convertible Shares redeemed pursuant to this provision shall be deemed to have authorised and instructed the Directors to pay the redemption monies in respect of such shares to the subscriber of the Ordinary Shares renounced in his favour.

Fractions of Ordinary Shares arising on conversion shall not be allotted or renounced to the holders of Convertible Shares otherwise entitled thereto and all entitlements shall be rounded down to the nearest whole number of Ordinary Shares.

The Directors may determine to effect conversion by means of reclassification, consolidation and/or sub-division. In such case, the requisite reclassification, consolidation and sub-division shall be effected pursuant to the authority given by the resolution adopting this Article by consolidating into one share all the Convertible Shares held by any holder and in respect of which a Conversion Notice has been delivered and sub-dividing such consolidated share into that number of shares which is equal to the number of Ordinary Shares to which such holder is entitled pursuant to such Conversion Notice and reclassifying such shares as Ordinary Shares and the balance of such shares (if any) shall be reclassified as deferred shares of 0.01p each which shall rank *pari passu* in all respects with the Deferred Shares.

The Ordinary Shares arising on conversion shall be allotted within 14 days of the Conversion Date. Within 28 days after the Conversion Date, the Company shall forward to each holder of relevant Convertible Shares, at his own risk, free of charge, a definitive certificate for the



appropriate number of fully paid Ordinary Shares together, where applicable, with a certificate for the balance of Convertible Shares held by him. Pending the dispatch of definitive share certificates, transfers shall be certified against the Register. The Ordinary Shares arising on conversion shall rank *pari passu* in all respects with the Ordinary Shares then in issue and shall rank in full for all dividends and (unless an adjustment shall have been made in respect thereof under paragraph (v)) other distributions declared by the Company in respect of Ordinary Shares on or after the Conversion Date, save that the Ordinary shares so allotted shall not entitle the holder to any dividend or other distribution declared, paid or made on the Ordinary Shares if the record date for such dividend or distribution shall be prior to the Conversion Date.

For the purposes of this paragraph (iv), "Conversion Date" means the date 14 days after the date of the relevant Conversion Notice, provided always that if any Conversion Date would otherwise fall on a Saturday, Sunday or a day which is a public holiday in England, such Conversion Date shall be the date of the next day which is not such a day.

(v) Adjustments

If, whilst any Convertible Shares remain in issue, the Company shall consolidate or sub-divide any Ordinary Shares, or shall enter into any arrangements which may prejudice the rights of the holders of Convertible Shares, the number of Ordinary Shares to be issued on any subsequent conversion of such Convertible Shares shall be adjusted pro-rata, or (where applicable) the certificate of the Company's Auditors for the time being as to the amount of the adjustment to be made shall be conclusive and binding on all concerned.

(vi) Listing

The Company shall use its reasonable endeavours to procure that the Ordinary Shares arising on Conversion are admitted to the Official List of the London Stock Exchange and to any other stock exchange on which the Company's Ordinary Shares are listed as soon as reasonably practicable following Conversion.

(vii) Transfer

The Convertible Shares shall be fully transferable.

(viii) Miscellaneous

All other terms of these Articles apply to the Convertible Shares *mutatis mutandis* save where such terms conflict with the provisions of this Article 3.

- (B) The existing article 141 in the Articles of Association of the Company be deleted and substituted in full by the following:

**Scrip Dividend**

141. Subject to the provisions of the Statutes the Directors may, if authorised by an Ordinary Resolution of the Company, offer the holders of Ordinary Shares and holders of Convertible Shares (subject to such exclusions or other arrangements as the Directors may consider necessary or expedient in relation to any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange) the right to elect to receive new Ordinary Shares credited as fully paid instead of cash, in respect of all or part of any dividend and in any such case the following provisions shall apply:
- (i) the said Ordinary Resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period;
  - (ii) unless the terms of the said Ordinary Resolution expressly provide, the holders of Ordinary Shares and holders of Convertible Shares shall not be entitled to elect to take the whole amount of any particular dividend in new Ordinary Shares and shall be obliged to take at least such amount thereof on each Ordinary Share or Convertible Share in any calendar year as the Directors shall in their absolute discretion determine as necessary to ensure the status of the Ordinary Shares and Convertible Shares as a wider range investments under the Trustee Investment Act 1961;
  - (iii) the basis of allotment to each holder shall be such number of Ordinary Shares and/or Convertible Shares credited as fully paid as have a value as nearly as possible equal to (but not greater than) the amount of the dividend (disregarding any tax credit) which he has elected to forego. For this purpose the "value" of an Ordinary Share and of a Convertible Share shall be deemed to be whichever is the greater of the nominal value and the average of the middle market quotations of an Ordinary Share on the London Stock Exchange as derived from the Daily Official List on the day on which the shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as may be determined by or in accordance with the Ordinary Resolution. A certificate or report by the Auditors as to the amount of the value in respect of any dividend shall be conclusive evidence of that amount;
  - (iv) no fraction of an Ordinary Share or a Convertible Share shall be allotted and if any holder would otherwise be entitled to fractions of a share, the Directors may deal with the fractions as they think fit including (without limitation) provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional

entitlements are accrued and/or retained and in each case accumulated on behalf of any shareholder and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such shareholder of fully paid Ordinary Shares;

- (v) the Directors, after determining the basis of allotment, shall notify the holders of Ordinary Shares and Convertible Shares in writing of the right of election offered to them in exercising the right of election;
- (vi) the net cash amount of the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be paid on Ordinary Shares or Convertible Shares in respect of which an election has been duly made (the "elected shares") and instead additional new Ordinary Shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose the Directors may (a) apply the said net cash amount in subscribing, in full or by instalments, for such number of unissued Ordinary Shares calculated on the basis of allotment determined as aforesaid; or (b) capitalise, out of any amount standing to the credit of any reserves or fund (including the profit and loss account, any share premium account or capital redemption reserve), whether or not the same is available for distribution, as the Directors may determine, a sum equal to the aggregate nominal amount of the additional new Ordinary Shares to be allotted on such basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the elected shares on such basis, or (c) give effect to any such election in such other manner as the Directors in their absolute discretion may determine;

(C) The Articles of Association of the Company be further altered by:

- (i) the addition in Article 33 of "which is not fully paid Provided that if the share is listed on the Official List such refusal does not prevent dealings in the shares from taking place on an open and proper basis. They may also refuse to register a transfer of a share" after "any transfer of shares" and the deletion of paragraphs (i) and (ii) and the consequential re-numbering of the following paragraphs of the same Article;
- (ii) the replacement in Article 73(D)(ii) of "28" with "14" and the deletion of "or, if the Default Shares represent one quarter of one per cent. or more of the shares in issue at the date of the Sanction Notice (or, if there are two or more classes in issue, of the issued shares of the class of shares concerned) 14 days from the date of the First Notice";
- (iii) the addition in Article 94(B) of "an interest which (together with any interest of any person connected with him (as defined in s346 of the Act)) is to his knowledge a material interest" and the deletion of the subsequent words "any material interest";

- (iv) the addition in Article 94(C)(i) of "or by any other person" after the words "incurred by him";
- (v) the addition in Articles 94(C)(iv) of "and any persons connected (as defined in section 346 of the Act) with him do not to his knowledge hold an interest in shares (as that term is used in sections 198 to 211 of the Act) representing less than one per cent, of any class of the equity share capital, or the voting rights in such company." after "any other company in which he" and the deletion of the remainder of that paragraph (iv); and
- (vi) the addition at the end of Article 158(B) of "; or following one such occasion, reasonable enquiries have failed to establish any new address of the registered holder".

#### ORDINARY RESOLUTIONS

##### 3. THAT:-

- (A) the creation of Warrants to subscribe for up to 93,988,006 new ordinary shares of 0.01p each in the capital of the Company on the terms and subject to the conditions set out in the draft deed poll, a copy of which is produced to the meeting and initialled for the purposes of identification by the Chairman of the Meeting, subject to such minor amendments as may be approved by the Board of Directors of the Company (the "Board") (or any duly authorised committee thereof), be and is hereby approved and that any member of the Board be and is hereby authorised to execute such deed poll as a deed of the Company;
- (B) the Board (or a duly authorised committee thereof) be and is hereby authorised to issue the Warrants to Victor Kiam.

##### 4. THAT:-

- (i) the entering into by Albion of a guarantee and indemnity with National Westminster Bank plc ("NatWest") dated 6 March 1998 (the "Albion Guarantee") under which Albion guaranteed the obligations of the the Company and each of its principal trading subsidiaries to NatWest in the sum of up to £2,500,000; and
- (ii) the entering into by Victor Kiam of a guarantee with The Provident Bank dated 24 June 1998 (the "Kiam Guarantee") in support of a letter of credit provided by The Provident Bank to NatWest dated 30 June 1998 under which The Provident Bank secured the obligations of the Company and each of its principal trading subsidiaries to NatWest in the sum of up to £1,000,000;
- (iii) the extensions of the Albion Guarantee on 29 June 1998 and 10 August 1998 and the Kiam Guarantee on 10 August 1998;

(copies of the Albion Guarantee, the Kiam Guarantee and the documents extending such guarantees having been produced to the Meeting and signed by the Chairman of

the Meeting for the purposes of identification), be and are hereby ratified and approved for all purposes.

5. THAT the arrangements described in the Prospectus relating to:-

- (A) the subscription by Albion ("Albion"), Stancroft ("Stancroft") and Victor Kiam of ordinary shares of 0.01p each in the capital of the Company under the Placing and Open Offer (as described in the Prospectus);
- (B) the Subscription by Albion and Stancroft of convertible shares of 0.01p each in the capital of the Company pursuant to the subscription for convertible shares in the Company (as described in the Prospectus);
- (C) the acquisition of further rights over new ordinary shares of 0.01p each in the capital of the Company upon the exercise of the Warrants;

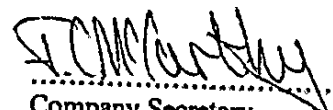
be and are hereby approved for the purposes of the waiver of the requirement to make a general offer to other shareholders under Rule 9 of the City Code on Takeovers and Mergers.

6. THAT the agreement between the Company, Albion Consortium Fund Limited, and Farzad Rastegar, a copy of which is produced to the meeting and initialled for the purposes of identification by the Chairman of the Meeting, subject to such minor amendments as may be approved by the Board (or a duly authorised committee thereof), be and is thereby approved and that any member of the Board be and is hereby authorised to execute such agreement on behalf of the Company.

7. THAT:-

- (A) the Ronson plc 1998 Executive Share Option Scheme (the "1998 Scheme"), the principal terms of which are summarised in Part VIII of the prospectus to shareholders of the Company dated 26 August 1998 (the "Prospectus") and the draft rules of the 1998 Scheme which are (together with a copy of the Prospectus) produced to the Meeting and signed by the Chairman of the Meeting for the purposes of identification, be and are hereby approved and the 1998 Scheme be adopted as a share option scheme of the Company; and
- (B) the Directors be and are hereby authorised:
  - (i) to establish, operate and administer the 1998 Scheme in accordance with its rules and to do all such acts and things and execute all such documents as they may in their absolute discretion consider necessary or expedient to implement and carry the 1998 Scheme into effect; and

- (ii) to vote, and be counted in the quorum, at any meeting of the Directors on any matters connected with the 1998 Scheme, notwithstanding that they may be interested in the same (except that no Director may be counted in the quorum or vote in respect of any matter concerning his own participation in the 1998 Scheme), and any prohibition or restriction on voting by interested Directors contained in the Articles of Association of the Company be and is hereby relaxed to that extent.

  
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Company Secretary