1149. **CREST SETTLEMENT SYSTEM**

1. Pursuant to Regulation 16(2) of the Uncertificated Securities Regulations 1996 ("the Regulations"), **IT WAS RESOLVED** that:

   (a) title to the ordinary shares of 10p each in the capital of the Company (the "Shares"), in issue or to be issued, may be transferred by means of a relevant system (as defined in the Regulations);

   (b) such relevant system shall include the relevant system of which CRESTCo Limited is to be the Operator (as defined in the Regulations);

   (c) the Shares shall not include any shares referred to in Regulation 17; and

   (d) this resolution ("the Resolution") shall become effective 30 September 1997

2. It was noted that, upon the Resolution becoming effective in accordance with its terms, and for as long as it is in force, the Articles of Association of the Company in relation to the Shares will not apply to any uncertificated Shares to the extent that they are inconsistent with:

   (a) the holding of any Shares in uncertificated form;

   (b) the transfer of title to any Shares by means of the CREST system; and

   (c) any provision of the Regulations.

3. There was produced to the meeting a notice of the passing of the Resolution ("the Notice"). **IT WAS RESOLVED** that the Notice be approved and sent to every member of the Company in accordance with the Company's Articles of Association within 60 days of the passing of the Resolution, as required by Regulation 16(4).

4. **IT WAS RESOLVED** that a copy of the Resolution in paragraph 1 above be forwarded to the Registrar of Companies within 15 days of its passing, as required by Section 380 of the Companies Act 1985 (as amended by Regulation 40(3)).

Certified to be a true extract from the Minutes
of a meeting of the Board of Directors of Southern Vectis plc
held on 21 July 1997, at Nelson Road, Newport, Isle of Wight

Director..........................................................

Secretary..........................................................

30 July 1997