

We certify this to be
a true copy
Ashurst
10.8.2007

No 2077752

Devonport Royal Dockyard Limited

(the "Company")

Passed on 8 August 2007

**Written Resolution
(having the effect of a special resolution)**

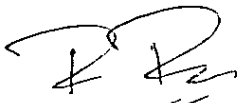
In accordance with section 381A of the Companies Act 1985 (as amended), WE being the sole member of the Company who at the date of this resolution would be entitled to attend and vote at a general meeting of the Company, DECLARE that the following resolution shall have effect as if passed as a special resolution by the Company in a general meeting

WE RESOLVE THAT

- (A) the accession of the Company as an additional guarantor to a facility agreement dated 9 May 2007 between, among others, Babcock International Group PLC ("**Babcock**"), The Governor and Company of the Bank of Scotland, J P Morgan plc, Lloyds TSB plc and The Royal Bank of Scotland plc (the "**Facility Agreement**") involving the execution of an accession agreement substantially in the form set out in the Facility Agreement be and is hereby approved,
- (B) the entry by the Company into a reciprocal Intra-Group Loan Agreement (the "**Intra Group Loan Agreement**") with Babcock which Babcock would be able to use in order to borrow funds to repay drawings under the Facility Agreement be and is hereby approved,
- (C) the entry by the Company into working capital facilities and cash pooling arrangements and associated guarantees with each of The Governor and Company of the Bank of Scotland and The Royal Bank of Scotland plc and (in each case) Babcock and other subsidiaries of Babcock, pursuant to which the Company would be provided with overdraft and certain ancillary facilities and would guarantee obligations of Babcock and such other subsidiaries (the "**Pooling Arrangements**") and the financial assistance (within the meaning of sections 151 to 158 of the Companies Act 1985 (as amended)) to be given by the Company pursuant to the Pooling Arrangements, be and is hereby approved,
- (D) the execution of the Accession Agreement, the Intra Group Loan Agreement and the Pooling Arrangements and the transactions contemplated thereby are in the best interests of the Company's business and to the commercial benefit and advantage of the Company, and
- (E) the Company be and is hereby authorised to execute the Accession Agreement, the Intra Group Loan Agreement (subject to such amendments as the board of directors of the Company in its discretion sees fit) and any documents in relation to its entry into and



participation in the Pooling Arrangements on such terms as the board of directors of the Company in its discretion authorises or sees fit

x  x
for and on behalf of
Devonport Management Limited