

Amending.

Sunsail International Plc

2746852.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the above company will be held at The Port House, Port Solent, Portsmouth at 2pm on Thursday 14th May 1998 at The Port House, Port Solent to consider and, if thought fit, to pass the following resolutions, which will be proposed as special resolutions, namely:

SPECIAL RESOLUTIONS

1. That, subject to and conditional upon the approval of the Board of Inland Revenue to the following alterations for the purposes of the continued approval of the Sunsail Executive Share Option scheme, the company's articles of association be altered as follows:
 - (a) by deleting the definitions of "Consolidated Post Tax Profits", "Participating Dividend" and "Participating Rate" from Article 3.(1);
 - (b) by adding the following definition to Article 3.(1) after the definition of Special Directors:

"Specified Date the date when a Conversion Event occurs;"
 - (c) by deleting Articles 5.(1)(a) and 5.(1)(e) entirely and replacing them with an annotation that they were deleted on the date of this resolution and intentionally left blank;
 - (d) by deleting Article 5.(1)(b) entirely and replacing it with the following new Article 5.(1)(b):

"If and to the extent that any of the preference Shares have not been redeemed, in paying to the holders of such Preference Shares until such Preference Shares are redeemed in respect of the financial year ending on the date specified in column (1) of the table set out below the fixed cumulative gross cash dividend (inclusive of the associated tax credit at the rate from time to time prevailing) specified in column (2) in the table set out below on the Issue Price of each such unredeemed



Preference Share to accrue on a daily basis and to be payable as to one half on 1st August in the financial year and as to one half on 1st August in the next financial year (save for the Preference Dividend payable in respect of the financial year ending on 31 October 2002, which shall be payable as to 8.8% on 1 August 2002 and as to 12.5% on 1 August 2003). The Preference Dividend shall be due and payable on the dates or at the times herein stipulated and notwithstanding the fact that the same are expressed to be, and shall in the event of their not being paid be, 'cumulative', the amounts due and payable on such dates or at such times shall ipso facto and without any resolution of the directors or the Company in general meeting (and notwithstanding anything contained in Regulations 102 to 105 (inclusive) of Table A) and before application of any profits to reserve or for any other purposes and notwithstanding that such dividend is expressed to be cumulative automatically become a debt due from and immediately payable by the Company to the Preference Shareholders entitled to such dividends on the relevant payment date (subject to there being profits out of which the same may lawfully be paid.

(1)	(2)
<u>Financial Year Ending</u>	<u>Preference Dividend</u>
31st October 1998	10%
31st October 1999	10%
31st October 2000	11.6%
31st October 2001	13.8%
31st October 2002	21.3%
31st October 2003	25%
31st October 2004	25%
31st October 2005	25%

”;

- (e) by deleting Articles 5.(2)(iii) and (v) entirely and replacing each of them with an annotation that it was deleted on the date of this resolution and intentionally left blank;

- (f) by changing the dates in Article 5.(3)(i)(a) shown in the first column below to those shown in the second column below, and in Articles 5.(3)(i)(a) and (b), by changing wherever else they appear the years 1999 to 2002, 2000 to 2003, and 2001 to 2004:

(1)	(2)
1st August 1999	1st August 2002
1st August 2000	1st August 2003
1st August 2000 (<i>sic</i>)	1st August 2004;

- (g) by adding the following new Article 5.(3)(iv) after Article 5.(3)(iv):
“On the Specified Date (or as soon thereafter as the law permits), the Company shall redeem all those Preference Shares then in issue whether or not then due for redemption and the provisions of sub-clauses (ii) and (iv) above shall apply to such redemption mutatis mutandis.

- (h) by making the following alterations to Article 13:

- (i) by adding the following wording at the end of paragraph (3)(i):

“The Board and the Vendor may within 28 days of the date of the Transfer Notice agree the price per share for the Shares for Sale and if they agree it within that period, the price per share so agreed shall be the Sale Price (and not, if the Vendor specified in the Transfer Notice the price per share at which he was prepared to sell the Shares for Sale, the price so specified).”

- (ii) by adding the following wording in paragraph (3)(iii) after the words “to allocate the Shares for Sale” in the first sentence thereof, namely:

“either at the Sale Price, if it was agreed by the Board and the Vendor pursuant to paragraph (i) of this Article or otherwise”;

- (iii) by changing the references to “28 days” to “35” days wherever they appear in paragraph (3)(iii);

- (iv) by adding the following words in paragraph (3)(iv) after the words “(other than the Vendor)” in the third sentence thereof, namely:

“and the Sale Price (if any)”;

(v) by adding the words “(if any)” in paragraph (3)(iv) after the words “the Shareholder is prepared to accept the Sale Price” in the last sentence thereof:

(vi) by adding the following words in paragraph (3)(vi) after the words “the Company shall notify the Vendor and” in the first sentence thereof, namely:

“the person in whose favour the determination has been made under paragraph (iii) of the details of that determination or, as the case may be, shall notify”;

(vii) by adding in the last sentence of paragraph (3)(vi):

- the words “(if any)” after the words “specified therein at the Sale Price”, and
- the words “there is no Sale Price or where” after the words “or, where”:

(viii) by adding the following words in paragraph (3)(vii) after the words “under sub-paragraph (iii)” in the first sentence thereof, namely:

“where the Board have not allocated the Shares for Sale at the Sale Price, or if there is no sale Price,”;

(ix) by adding the following words in paragraph (3)(vii) after the words “The cost of obtaining such Auditors’ certificate shall be borne” in the last sentence thereof, namely:

“if the determination was required because the Vendor required but the Board refused or failed to agree that the price per share for the Shares for sale should be the same as or less than the price per share at which any shares of the same class as the Shares for Sale were last transferred pursuant to Article 13 (or otherwise on arm’s length terms) or the same as or less than the fair value thereof most recently determined by the Auditors hereunder if such determination was made after the last such transfer, then by the Company; if the determination was required because the Vendor required but the Board refused or failed to agree that the price per share for the Shares for sale should be more than the price per share at which any

shares of the same class as the Shares for Sale were last transferred pursuant to Article 13 (or otherwise on arm's length terms) or more than the fair value thereof most recently determined by the Auditors hereunder if such determination was made after the last such transfer, then by the Vendor; subject to the foregoing";

- (x) by adding the following words in paragraph (3)(viii) after the opening words "Any sale of shares effected" in the first sentence thereof, namely:

"(where there is a Sale Price) under paragraph (iii) where the Board allocated the Shares for Sale at the Sale Price or";

- (xi) by adding the following words in paragraph (3)(viii) after the words "shall be at the sale Price and" in the first sentence thereof, namely:

"subject thereto";

- (xii) by adding the following words in paragraph (3)(ix) after the words "to the Vendor and to", namely:

"the person in whose favour a determination has been made under paragraph (iii) (unless the Board allocated the Shares for sale at the Sale Price) or, as the case may be, to".

2. That, with the consent of the holders referred to below and with the requisite consent in writing of the holders of 75% of the issued 'B' Ordinary Shares and 'C' Ordinary Shares (treated for this purpose as one class of shares) in accordance with the company's articles of association, the 6,919 'A' Ordinary Shares registered in the name of Christopher Thomas Edge and James Hay Pension Trustees Ltd, the 1,900 'A' Ordinary Shares registered in the name of Christopher Thomas Edge, the 750 'A' Ordinary Shares registered in the name of Mark St. John Moranne and the 3,250 'A' Ordinary Shares registered in the name of Ian Duncan Stuart MacPherson be and are hereby redesignated as 6,919 'B' Ordinary Shares, 1,900 'B' Ordinary Shares, 750 'B' Ordinary Shares and 3,250 'B' Ordinary Shares respectively, and that Article 4 of the company's articles of association be altered accordingly.

By order of the Board

5th May 1998

Secretary

Registered office:

The Port House

Port Solent

PORTSMOUTH

PO6 4TH

Note: A member entitled to attend and vote at the meeting may appoint a proxy to attend and (on a poll) vote instead of him, a form of proxy is attached. A proxy need not be a member of the Company.

CONSENT TO SHORT NOTICE

We, being a majority in number of the members together holding not less than 95% in nominal value of the shares of the Company giving a right to attend and vote at the Extraordinary General Meeting convened by this notice, hereby consent to the holding of that meeting and to the passing of the resolutions, notwithstanding that less than 21 days' notice has been given.

Name

Signature

Date