



Company No. 3120091

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

of

BCH Group plc

At an extraordinary general meeting of the Company held at Vintner's Place, 68 Upper Thames Street, London EC4V 3BJ on 5 November 1997 the following resolutions were passed as special resolutions.

SPECIAL RESOLUTIONS

1. **THAT** subject to and conditional upon the issued and to be issued ordinary share capital of the Company being admitted to the Official List of the London Stock Exchange and admission becoming effective ("Listing") on or before 31 December 1997:

- (a) a new article 18 be inserted in the existing articles of association to read as follows:

"CAPITALISATION OF PROFITS AND SHARE PREMIUM ACCOUNT

18. The directors may, in addition to the powers conferred by Regulation 110 of Table A, with the authority of a special resolution of the Company:

- 18.1 resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account;

- 18.2 appropriate the sum resolved to be capitalised to such members as the directors may determine and apply such sum on their behalf in paying up in full unissued shares of a nominal amount equal to that sum and allot such shares credited as fully paid to those members, or as they may direct;

18.3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they may determine in the case of shares becoming distributable under this Article 18 in fractions or resolve that such fractional entitlements shall be ignored; and

18.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them, credited as fully paid, of any shares to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members."

(b) every issued "A" Ordinary Share of 1p and every issued "B" Ordinary Share of 1p be redesignated as an Ordinary Share of 1p having the rights set out in the new articles of association to be adopted pursuant to resolution 2;

(c) the authorised share capital of the Company be increased from £100,000 to ~~£~~ ^{£421,400} by the creation of ~~£~~ 32,400,000 ~~£~~ Ordinary Shares of 1p, having the rights set out in the new articles of association to be adopted pursuant to resolution 2;

(d) the directors capitalise ~~£~~ ^{£143,313.52} of the Company's existing share premium account in paying up in full:

(i) ~~£~~ ^{6,839,250} Ordinary Shares of 1p and allotting those shares to the holders of "A" Ordinary Shares of 1p on the register at the close of business on 5 November 1997, credited as fully paid, in proportion to the number of "A" Ordinary Shares of 1p held by them;

(ii) ~~£~~ ^{7,492,102} Ordinary Shares of 1p each and allotting those shares to the holders of "B" Ordinary Shares of 1p, credited as fully paid, in proportion to the number of "B" Ordinary Shares of 1p held by them immediately following the redemption of "B" Ordinary Shares of 1p resolved upon today by the Board of Directors (but prior to any other disposal of such shares)

except that where there is a fractional entitlement to an Ordinary Share of 1p no share shall be allotted;

(e) in substitution for all existing authorities (but without prejudice to article 4(B) of the articles of association to be adopted pursuant to resolution 2), the directors be generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of:

- (i) £143,313.52 / * in respect of the capitalisation issue of * / * Ordinary Shares of 1p authorised pursuant to paragraph (d); and
- (ii) £167,894.74 / * in respect of the proposed placing of * / * Ordinary Shares of 2p;

for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on 31 December 1997, but the Company may make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the directors may allot relevant securities in pursuance of that offer or agreement;

- (f) in substitution for all existing authorities (but without prejudice to article 4(C) of the new articles of association to be adopted pursuant to resolution 2), the directors be empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by paragraph (d) as if section 89(1) of the Act did not apply to the allotment. This power:

- (i) expires on 31 December 1997, but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this authority and the directors may allot equity securities in pursuance of that offer or agreement; and

- (ii) is limited to:

- a. the allotment of up to an aggregate nominal amount of £143,313.52 / * Ordinary Shares of 1p in respect of the capitalisation issue authorised pursuant to paragraph (d); and
- b. the allotment for cash of up to an aggregate nominal amount of £167,894.74 / * Ordinary Shares of 2p in connection with the proposed placing of * / * Ordinary Shares of 2p each;

- (g) every issued and unissued 2 Ordinary Shares of 1p be consolidated into and redesignated as 1 Ordinary Share of 2p save that where there is a fractional entitlement to an Ordinary Share arising as a result of such consolidation the Company shall be authorised to consolidate such fractional entitlements and sell such shares for the benefit of the Company;

any share capital available for issue as a consequence of redemption of Preference Shares of 1p each or "B" Ordinary Shares of 1p each shall be consolidated into Ordinary Shares of 2p each;

notwithstanding Article 6 of the existing articles of association * 236,613 * "B" Ordinary Shares be redeemed at £1 each instead of * 290,909 * "B" Ordinary Shares as would otherwise be the case; and

a special interim dividend of £54,296 in aggregate be paid on Listing to the holders of the "B" Ordinary Shares to be divided among them pro rata to their holdings

2. The new articles of association in the form produced to the meeting and marked "A" be adopted as the articles of association of the Company to the exclusion of the existing articles of association and the share capital shown in the memorandum of the Company be amended as shown in the form produced to the meeting and marked "B".


CHAIRMAN