

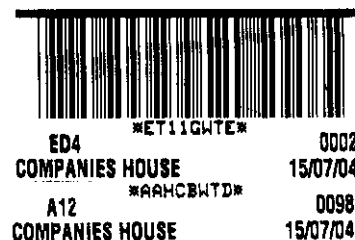
The Companies Act 1985 ("the Act")

**Ordinary and Special Resolutions
of**

MERCHANT HOUSE GROUP PLC

("the Company")

(Registered No.04034645)



At an extraordinary general meeting for the Company duly convened and held at 50 Broadway, Westminster, London SW1H 0BL on 14 July 2004 the first resolution was passed as an Ordinary Resolution and the second and third resolutions were passed as Special Resolutions:

Ordinary Resolution

- 1 That the acquisition by the Company of Forum Finance Group Limited on the terms and subject to the conditions contained in the acquisition agreement dated 22 June 2004 between the Company (1) and Simon Eagle (2) ("the Agreement") be and the same is hereby approved (subject to such amendments as may be approved by the Directors) for the purposes of Rule 13 of the rules of the AIM Market of the London Stock Exchange and that the Directors be and they are hereby authorised to take all steps necessary or, in the opinion of the Directors, desirable, to give effect to the said agreement.

Special Resolutions

- 2 That:-

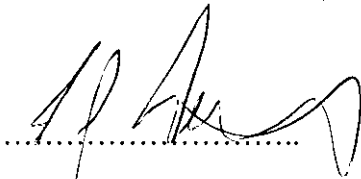
- 2.1 the authorised share capital of the Company be and is hereby increased to £11,250,000 by the creation of an additional 209,000,000 new Ordinary Shares of 5p each in the share capital of the Company;
- 2.2 in substitution for any existing such authority, the Directors be and are hereby generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 ("the Act") to allot relevant securities of the Company (within the meaning of that section 80) up to an aggregate nominal value of £7,660,000 such authority (unless previously revoked or varied) to expire on the day falling 15 months following the passing of this resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2005 provided that the Directors may, before such power expires, make an offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired; and
- 2.3 the Directors be and they are hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the said Act) pursuant to the authority confirmed by the Resolution in 2.2 above as if Section 89(1) of the Act did not apply to any such allotments provided that this power shall be limited to:-
 - (a) the allotment of 50,000,000 new Ordinary Shares in connection with the Placing (as defined in the Admission Document); and

- (b) the allotment (other than under (a) above) of additional equity securities up to an aggregate nominal value of £4,162,500

and so that such power (unless previously revoked or varied) shall expire on the day following 15 months following the passing of this resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2005 provided that the Directors may, before the power expires, make an offer or enter into an agreement which would or might require equity securities to be allotted after such power expires and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

3. That the Company's Articles of Association be and they are hereby amended by the deletion of Articles 84.2 to 84.6 (inclusive) and of Article 84.9.

Chairman



Dated: 14 July 2004