

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

FIRST WRITTEN RESOLUTIONS
OF
HOTEL (PL PROPERTY) LIMITED
(the "Company")



Pursuant to Section 381A of the Companies Act 1985 (the "Act")

Passed on 7 August 2002

We, being the sole member of the Company who, at the date of these resolutions, is entitled to attend and vote at a general meeting of the Company, RESOLVE as follows:

Written Resolutions

- 1 THAT, subject to compliance with sections 155 to 158 of the Companies Act 1985 (the "Act"), the giving by the Company of financial assistance for the purpose of the subscription by London & Regional Hotel Holdings Limited of 2,999,990 B Ordinary Shares of £0.10 each and 9,256,500 Fixed Rate Preference Shares of £1.00 each in the capital of the Company (the "Shares") in the form described in the statutory declaration sworn by the directors of the Company pursuant to section 155(6) of the Act on the date hereof be approved.
- 2 THAT consideration be given to the execution, delivery and performance by the Company of:
 - (i) the shareholders' agreement (the "Shareholders Agreement") between Land Securities PLC ("LS") (1); the Company (2); London & Regional Hotel Holdings Limited ("LRHHL") (3); London & Regional Hotel Finance Limited ("LRF") (4), London and Regional Properties Limited ("L&R") (5) and London and Regional Group Finance Limited ("GFL") (6);
 - (ii) a loan note instrument (the "Senior Loan Note Instrument") under which LRF will receive loan note instruments constituting secured loan stock in the Company for a total of £131,356,231 ;
 - (iii) an agreement for the provision of management services (the "Management Agreement") by L&R to the Company;
 - (iv) a duty of care agreement (the "Duty of Care Agreement") to be entered into by L&R, the Company and Abbey National Treasury Services plc in its capacity as security agent (as agent and trustee for itself, the Finance Parties and the Hedging Counterparty (as

defined in the Facility Agreement) and the Mezzanine Finance Parties (as defined in the Mezzanine Facility Agreement)) (the "Security Agent");

- (v) the £133,000,000 facility agreement (the "Senior Facility Agreement") (which contains a guarantee of certain obligations under the Transaction Documents (as defined in the Senior Facility Agreement to be given by, *inter alia*, the Company (the "Senior Guarantee"))) between LRF, the Company, LRHHL and Abbey National Treasury Services plc (in its capacity as "Original Lender", "Arranger", "Facility Agent" and "Security Agent");
- (vi) the £15,000,000 facility agreement (the "Mezzanine Facility Agreement") (which contains a guarantee of certain obligations under the Transaction Documents (as defined in the Mezzanine Facility Agreement to be given by, *inter alia*, the Company (the "Mezzanine Guarantee"))) between LRF, the Company, LRHHL and Dresdner Bank AG, London Branch (in its capacity as "Mezzanine Lender", "Mezzanine Arranger" and "Mezzanine Facility Agent");
- (vii) the debenture (the "Senior Debenture") to be entered into by the Company and LRF in favour of the Security Agent (as agent and trustee for the Senior Creditors, the Mezzanine Creditors and the Hedging Counterparty and each of their successors, assigns and transferees from time to time, as each is defined in the Intercreditor Agreement).
- (viii) a board memorandum (the "Board Memorandum") relating to the net asset position of the Company.
- (ix) the intercreditor agreement (the "Intercreditor Agreement") to be entered into by the Company, LRF, LRHHL, LS, London & Regional Group Finance Limited, the Senior Creditors, the Mezzanine Creditors (each as defined therein) and Abbey National Treasury Services plc (as Senior Arranger, Original Lender, the Senior Agent, the Security Agent and Hedging Counterparty).
- (x) the junior facility agreement (the "Junior Facility Agreement") between LS, the Company, LRF and LRHHL which mirrors the terms of the Senior Facility Agreement, including giving a similarly worded guarantee (the "Junior Guarantee") to the Senior Guarantee, which will allow LS to step in and discharge the obligations of the Company and LRF under the Senior Facility Agreement and the Mezzanine Facility Agreement pursuant to the Intercreditor Agreement;
- (xi) the second debenture (the "Second Ranking Debenture") between LRF, LS and the Company;
- (xii) the third debenture (the "Third Ranking Debenture") between LRF and the Company;
- (xiii) an intra-group facility agreement (the "Working Capital Facility Agreement") between GFL as lender and the Company as borrower pursuant to which GFL agrees to fund any working capital shortfalls that the Company may suffer as a result of giving financial assistance to LRHHL and LRF;
- (xiv) a loan note instrument (the "Mezzanine Loan Note Instrument") in favour of LRF constituting secured loan stock in the Company for a total of £15,000,000;
- (xv) a certificate (the "Director's Certificate") with attachments addressed to the Security Agent certifying, *inter alia*, the authorisation of the director to sign certain documents;
- (xvi) a statutory declaration (the "Statutory Declaration") to be sworn by the director pursuant to section 155(6) of the Companies Act 1985;

- (xvii) an intra group facility agreement (the "GFL Intra Group Facility Agreement") under which GFL will lend moneys to the Company which are intended to be on lent by the Company to LRF in order to assist LRF in paying and discharging its obligations to pay interest to the Mezzanine Lenders pursuant to the Mezzanine Facility Agreement;
- (xviii) an intra group facility agreement (the "Company Intra Group Facility Agreement") under which the Company will lend moneys to LRF to assist LRF in paying and discharging its obligations to pay interest to the Mezzanine Lenders pursuant to the Mezzanine Facility Agreement;
- (xix) a letter (the "Indebtedness Letter") from Land Securities plc to LRF, LRHHL and the Company agreeing to permit certain additional indebtedness to be raised on the security of certain property; and
- (xx) a letter (the "Discharge Letter") from Land Securities plc to LRF, the Company and LRHHL relating to the discharge of certain security.

3 That the execution and delivery by the Company of the Shareholders Agreement, Senior Loan Note Instrument, the Management Agreement, the Duty of Care Agreement, the Senior Facility Agreement (including the Senior Guarantee), the Mezzanine Facility Agreement (including the Mezzanine Guarantee), the Senior Debenture, the Board Memorandum, the Intercreditor Agreement, the Junior Facility Agreement (including the Junior Guarantee), the Second Ranking Debenture, the Third Ranking Debenture, the Working Capital Facility Agreement, the Mezzanine Loan Note Instrument, the Director's Certificate, the Statutory Declaration, the GFL Intra Group Facility Agreement, the Company Intra Group Facility Agreement, the Indebtedness Letter and the Discharge Letter (together "the Documents") and the performance by the Company of its obligations under the Documents (including any other necessary documentation to give effect thereto) be and is hereby approved as being for the benefit of and in the best interests of the Company and the shareholders even though the performance, execution and delivery of such Documents constitutes financial assistance.

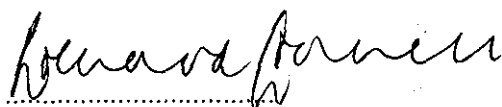
4 That the Director of the Company be and is hereby authorised as a Director to execute, deliver and perform the Documents and to perform the transactions contemplated therein.

5 THAT the Articles of Association of the Company be amended by inserting a new Article 5 as follows:

"Notwithstanding any other Article the Directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer is in favour of any bank or institution to whom such shares have been charged by way of security, or in favour of any third party nominated by such bank or institution pursuant to the power of sale under such security".

6 THAT Article 4 in relation to liens over the Company's shares shall be deleted in its entirety.

7 THAT the existing Articles shall be renumbered accordingly to ensure new Articles adopted deal with the deletion of Article 4.



for and on behalf of
LAND SECURITIES PLC