

The Companies Act 1985

Private Company Limited by Shares

WRITTEN RESOLUTION

of

THE FOLGATE BROKER ALLIANCE LIMITED

(Registered in England & Wales under number 4842883)

Pursuant to section 381A of the Companies Act 1985 (as amended)

Passed the *23* day of *January* 2003

We, the undersigned members of the above-named company (the "Company"), being all those members for the time being of the Company entitled to receive notice of and to attend and vote at a General Meeting of the Company, hereby resolve to pass the following resolution to take effect as a special resolution of the Company pursuant to section 381A of the Act.

SPECIAL RESOLUTION

The terms of and the transactions contemplated by the resolutions of the Company's Board of Directors as recorded in the extract of the board minutes attached hereto be and are hereby approved, ratified and confirmed.

Signed.....*[Signature]*.....

(Director/Secretary)

For and on behalf of The Folgate Partnership Limited



THE FOLGATE BROKER ALLIANCE LIMITED ("Company")

Registered Number 4842883

Minutes of a meeting of the Board of Directors of the Company held by telephone conference call pursuant to Regulation 33 of the Articles of Association of the Company on *23 December*

2003 at 3:00pm

PRESENT:

Tim Philip (Chairman)

Kenny Maciver

Andy Homer

IN ATTENDANCE:

1. PRELIMINARY

The Chairman reported that notice of the meeting had been given to all directors entitled to receive it in accordance with the articles of association of the Company. The Chairman noted that a quorum was present for the purpose of the business before the meeting and declared the meeting open.

2. DIRECTORS' INTERESTS

All relevant interests of the directors of the Company in the business to be transacted at the meeting (in their capacities as director, shareholder or as a person connected with the other directors or shareholders of the Company, or as a director, shareholder or person connected with the other directors or shareholders of Borrower), were disclosed to the meeting in accordance with section 317 of the Companies Act 1985 (the "Act") and the articles of association of the Company.

3. PURPOSE OF MEETING

The Chairman reported that the purpose of the meeting was to consider and, if thought fit and in the best interests of the Company, approval and the execution, delivery and performance by the Company of certain documents required pursuant to:

- 3.1 the bridge facility letter originally dated 26 November 2001 and amended and restated on 11 April 2002 (the "**Bridge Facility Letter**") between The Folgate Partnership Limited (the "**Borrower**") and The Royal Bank of Scotland plc (the "**Senior Lender**") to make available to the Borrower certain bridge loan facilities;
- 3.2 the mezzanine facility letter originally dated 26 November 2001 (as amended and restated inter alia on 11 April 2002 and 10 January 2003) (the "**Mezzanine Facility Letter**") between the Borrower and RBS Mezzanine Limited (the "**Mezzanine Lender**") to make available to the Borrower certain mezzanine loan facilities, (together the Senior Lender and the Mezzanine Lender being the "**Lenders**"); and
- 3.3 the proposed entry into the Security Documents (as defined below) which the Company is required to execute, deliver and perform in favour of the Senior Lender in its capacity as security trustee for the Lender, the Mezzanine Lender, the Overdraft Bank and the Hedging Bank (as each is defined in the Mezzanine Facility Letter) (the "**Security Trustee**") in connection with the facilities to be made available by the Lenders to the Borrower for the financing purposes set out in paragraph 2 of each of the Bridge Facility Letter and the Mezzanine Facility Letter.

4. **SECURITY DOCUMENTS**

- 4.1 It was reported to the meeting that, in order to enable the Borrower to utilise the facilities made available by the Lenders the Company was required to enter into the following security documents in favour of the Security Trustee (4.1.1 and 4.1.2 together the "**Security Documents**"):
 - 4.1.1 the Security Trust Deed (the "**Trust Deed**")
 - 4.1.2 the Security Charge (the "**Charge**")

- 4.1.1 a composite guarantee and debenture to be made between the Company and the Security Trustee pursuant to which the Company will grant fixed and floating charges over the whole of their property, assets and undertaking, both present and future, in favour of the Security Trustee (the "**Guarantee and Debenture**"); and
 - 4.1.2 a deed of accession (the "**Deed of Accession**") to be executed by the Company whereby it would accede to an intercreditor deed dated 26 November 2001 made between (1) the Borrower and others (as Charging Companies), (2) the Senior Lender (as Security Trustee, Senior Lender, Hedging Bank and Overdraft Bank) and (3) the Mezzanine Lender (the "**Intercreditor Deed**");
- 4.2 The following documents were therefore produced to the meeting in order to examine the background to and terms of the Security Documents:
- 4.2.1 a copy of the Bridge Facility Letter;
 - 4.2.2 a copy of the Mezzanine Facility Letter;
 - 4.2.3 the latest draft of the Guarantee and Debenture;
 - 4.2.4 a copy of the Intercreditor Deed; and
 - 4.2.5 the latest draft of the Deed of Accession.
- 4.3 The terms of the Guarantee and Debenture were carefully considered by the directors and it was noted that, inter alia, under its terms:
- 4.3.1 the Company would be required to:
 - 4.3.1.1 guarantee the payment, observance and performance of the Secured Liabilities (as defined therein) to the Security Trustee, the Lender, the

Mezzanine Lender, the Overdraft Bank and the Hedging Bank (each as defined therein) (together the "**Security Beneficiaries**");

4.3.1.2 undertake to the Security Trustee on its own account and on behalf of the Security Beneficiaries to make good any default in the payment or performance of any of the Secured Liabilities (and interest thereon) by the Obligors, in this case being the Borrower and its subsidiary undertakings from time to time ("**Folgate Group**"); and

4.3.1.3 indemnify the Security Trustee and the other Security Beneficiaries from and against any loss incurred by the same in connection with the non-payment or non-performance of any of the Secured Liabilities owing by any member of the Folgate Group as a result of any of the Secured Liabilities or any of the Financing Documents (as defined therein) being or becoming void, voidable, unenforceable or ineffective as against any other member of the Folgate Group;

4.3.2 as beneficial owner and as continuing security for the payment and discharge of all the Secured Liabilities, the Company would be required to charge to the Security Trustee (for the benefit of the Security Beneficiaries) by way of fixed and floating charges the whole of its right, title and interest in its property, assets and undertaking, both present and future, on the terms contained therein.

4.4 The terms of the Intercreditor Deed and the Deed of Accession were carefully considered by the directors and it was noted that under their terms:

4.4.1 the purpose of the Intercreditor Deed was to establish the order of priority of the Senior Liabilities, the Overdraft Liabilities, the Hedging Liabilities and the Mezzanine Liabilities (all such terms as defined therein);

4.4.2 by entering into the Deed of Accession the Company would be required to

authorise the Security Trustee and the Mezzanine Lender to apply all sums paid to or received by the Security Trustee and enforce the Charges (as defined therein) in such order as provided for in the Intercreditor Deed or in such other order as these parties may otherwise agree; and

- 4.4.3 by entering into the Deed of Accession the Company would agree to be bound by the terms of the Intercreditor Deed as if it were an original party to it.

5. WRITTEN RESOLUTION

It was reported to the meeting that it was proposed to pass a resolution set out in a form of written resolution ("**Written Resolution**") in accordance with the articles of association of the Company and section 381A of the Act approving the entering into the Security Documents.

There was produced to the meeting the Written Resolution and **IT WAS RESOLVED** that:

- 5.1 the Written Resolution be approved; and
5.2 the meeting be adjourned until all the shareholders of the Company had passed the Written Resolution.

The meeting then adjourned to enable the Written Resolution to be passed.

On resumption the Chairman reported that that the resolution in the form set out in the Written Resolution had been duly passed as a unanimous special resolution of the Company.

6. EXECUTION OF SECURITY DOCUMENTS

The Directors carefully considered the benefit accruing to the Company by virtue of the entering into of the Security Documents and concluded that such benefit was at least commensurate with the various risks and obligations being undertaken by the Company under the various Security Documents, taking into account, *inter alia*, the benefit to the Company of the provision of the

facilities to be provided by the Lenders. After careful consideration of the Security Documents
IT WAS UNANIMOUSLY RESOLVED THAT:

- 6.1 it was in the good faith and judgment of all the directors for the commercial benefit and in the best interests of the Company to enter into the Security Documents;
- 6.2 the terms of each of the Security Documents and transactions contemplated thereby be and are hereby approved;
- 6.3 the Security Documents and their execution, delivery and performance be and are hereby approved;
- 6.4 any director of the Company (or in the case of any documents to be executed by the Company as a deed, any two directors or any director and the secretary of the Company) be and is hereby authorised to execute and/or despatch the Security Documents substantially in the form produced to the meeting on behalf of the Company, whether under hand, as a deed or otherwise, with such amendments thereto, if any, as may be approved by the person or persons who are authorised to execute such document;
- 6.5 any of the Security Documents required to be executed by the Company as a deed should be executed as a deed by the Company in the manner prescribed by Section 36(A)(4) of the Act or, alternatively, be executed under the common seal of the Company, subject to such amendments as those executing the same on behalf of the Company shall think fit;
- 6.6 that any director or the secretary, either singly or with another director or the secretary, as may be required by law or the Company's articles of association be and is hereby authorised to do all such acts and things and agree and execute on behalf of the Company all such other agreements and documents as he may consider expedient as may be required in order to implement the transactions contemplated by the Security Documents and generally to sign all such certificates and notices as may be required in connection therewith and which is approved by the person or persons authorised to execute the Security Documents; and

- 6.7 the approval of each such person will be conclusively evidenced by his signing such document, executing such document as a deed or witnessing the affixation of the Company's seal thereto (as the case may be).

7. FILING OBLIGATIONS

The secretary was instructed to file at Companies House Form 395 in respect of the Guarantee and Debenture and the Written Resolution and provide a copy of the same to the Company's auditors.

8. CLOSE OF BUSINESS

There being no further business, the Chairman declared the meeting closed.


Chairman