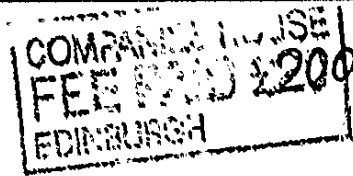


28-06-95



Company Number 9743

THE COMPANIES ACTS 1985 AND 1989
PUBLIC COMPANY LIMITED BY SHARES
SPECIAL RESOLUTIONS
OF
BROWN & TAWSE GROUP PLC



(Incorporated and Registered in Scotland)

At an EXTRAORDINARY GENERAL MEETING of the above named Company held at 100 Wood Street, London EC2P 2AJ on the 26th June, 1995 at 10.00 am the following resolutions were passed as Special Resolutions:

SPECIAL RESOLUTION

1 THAT

- (1) the acquisition by a subsidiary of Brown & Tawse Group PLC (the "Company") of the entire issued share capital of GKN Kwikform Holdings Limited from the existing shareholders thereof substantially on the terms and subject to the conditions set out or referred to in the circular to shareholders of the Company dated 1 June 1995 (the "Circular") be and is hereby approved and that the directors of the Company (the "Directors") be and are hereby authorised and directed to take all such steps as they consider necessary to effect such acquisition and to waive, amend, vary, revise or extend (to such extent as shall not, in the reasonable opinion of the Directors, constitute a material amendment to the terms of such acquisition) any of such terms and conditions as they shall think fit; and
- (2) each issued ordinary share of 25p in the capital of the Company be and is hereby sub-divided and converted into one ordinary share of 5p and four deferred shares of 5p each and the respective rights and restrictions attaching to the deferred shares of 5p each in the capital of the Company shall be as set out in Article 4(2) of the Articles of Association of the Company as amended by paragraph (5) below; and
- (3) the existing authorised but unissued ordinary shares of 25p each be and are hereby sub-divided into five ordinary shares of 5p each; and

- (4) the authorised share capital of the Company be and is hereby increased from £9,570,250 to £16,054,776.40 by the creation of 129,690,528 new ordinary shares of 5p each ranking *pari passu* in all respects with the existing ordinary shares of 5p each created pursuant to paragraphs (2) and (3) above; and
- (5) the Articles of Association of the Company be and are hereby altered in the following manner:
 - (a) by deleting therefrom the first sentence of Article 4 in its entirety and by substituting therefor the following new Article numbered 4:

"4.(1) The share capital of the Company upon the coming into effect of the alteration of the Articles of Association of the Company incorporating this new Article 4(1) is £16,054,776.40 divided into 190,000,000 Ordinary Shares of 5p each, 129,690,528 deferred shares of 5p each and 70,250 7 per cent. Cumulative Preference Shares of £1 each.
 - (2) The rights and restrictions attaching to the deferred shares of 5p each are as follows :
 - (a) The deferred shares of 5p each shall not confer on the holders thereof any right to receive notice of or to attend or vote at any general meeting of the Company.
 - (b) The holders of deferred shares of 5p each shall not be entitled to the payment of any dividend or other distribution.
 - (c) On a return of capital, whether on a winding up or otherwise, the holders of deferred shares of 5p each shall be entitled to receive only the amount paid up or credited as paid up on each share but only after the holder of each ordinary share of 5p each shall have received the amount paid up or credited as paid up on such share together with a payment of £1,000,000 per ordinary share but the holders of deferred shares of 5p each shall not be entitled to participate further.
 - (d) The Company shall have irrevocable authority at any time after the creation or issue of deferred shares of 5p each to appoint any person to execute on behalf of the holders of such shares a transfer thereof and/or an agreement to transfer the same without making any payment to the holders thereof to such person or persons as the Company may determine and, in accordance with the provisions of the Companies Act 1985, to purchase or cancel such shares without making any payment to or obtaining the sanction of the holders thereof and pending such transfer and/or purchase or cancellation to retain the certificates (if any) in respect thereof provided also that the Company may, in accordance with the provisions of the Companies Act 1985, purchase all but not some only of the deferred shares of 5p each then in issue at a price not

exceeding 1p for all the deferred shares so purchased.

- (e) The rights attaching to the deferred shares of 5p each shall not be or be deemed to be varied, modified or abrogated by the creation, allotment or issue of any shares in the capital of the Company of any class (whether ranking *pari passu* with or in priority to them) or the passing of any resolution to cancel all or any of such deferred shares or anything done pursuant thereto or any other act, matter or thing whatsoever save for any proposal to vary (otherwise than to the advantage of the holders of the deferred shares) the rights of the holders of the deferred shares to participate in a return of capital as set out in paragraph (c) of this Article.
- (f) Notwithstanding any provision of these Articles, the Company shall not be required to issue any share certificates in respect of the deferred shares of 5p each."
- (b) by deleting the following words in Article 4 "The respective rights attaching to the different classes of shares shall be as follows" and by substituting therefor the following "(3) The respective rights of the Ordinary Shares and the Preference Shares shall be as follows:"
- (c) by adding to Article 24 after the words "has a lien" the following words: "provided that such power shall not be used in such a manner as to prevent dealings in the shares from taking place on an open and proper basis";
- (d) by deleting from Article 44 the words "it is proved to have" and by substituting therefor the words "the Company is satisfied beyond reasonable doubt that the original has";
- (e) by deleting from Article 65 the number "25" and by substituting therefor the number "5";
- (f) by adding to Article 49(D) after the word "fund" the words "or share premium account";
- (g) by deleting from Article 76 in its entirety and by substituting therefor the following new Article numbered 76:
 "76.(A) Where notice is served by the Company under section 212 of the Companies Act 1985 (a "Section 212 notice") on a Member, or another person appearing to be interested in shares held by that Member and the Member or other person has failed in relation to any shares (the "default shares", which expression includes any shares issued after the date of the Section 212 notice in respect of those shares) to give the Company the information required within 14 days after service of the Section 212 notice, the Company may, if the Board so decides, serve on such member or other person a notice ("a restriction notice") directing that the default shares shall be subject to all or some of the following sanctions

which shall apply with effect from the date of the restriction notice:

- (i) the Member shall not be entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate general meeting of the holders of a class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll; and
 - (ii) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:
 - (a) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member is not entitled to elect, pursuant to Article 116(B), to receive shares instead of a dividend; and
 - (b) no transfer of any share held by the Member shall be registered unless:
 - (1) either the transfer is an excepted transfer (as defined in Article 76(D)(iv)); or
 - (2) the member is not himself in default in supplying the information required and he proves to the satisfaction of the Board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.
- (B) The sanctions specified in the restriction notice shall cease to apply on the earlier of:
- (i) receipt of an excepted transfer, but only in relation to the shares transferred; and/or
 - (ii) receipt by the Company, in a form satisfactory to the Board, of all the information required by the Section 212 notice; and/or
 - (iii) if the Board in its absolute discretion so decides.
- (C) Where, on the basis of information obtained from a Member in respect of a share held by him, the Company issues a Section 212 notice to another person, it shall at the same time send a copy of the Section 212 notice to the Member, but the accidental omission to do so, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of paragraph (A).

(D) For the purposes of this Article 76:

- (i) a person, other than the Member holding a share, is treated as appearing to be interested in that share if the Member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a Section 212 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;
- (ii) "interested" is construed as it is for the purpose of Section 212 of the Companies Act 1985;
- (iii) reference to a person having failed to give the Company the information required by a Section 212 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
- (iv) an "excepted transfer" means, in relation to shares held by a Member a transfer complying with the conditions specified in Articles 22,23,24 and 25:
 - (a) made pursuant to acceptance of a take-over offer for the Company (within the meaning of Section 428(1) of the Companies Act 1985); or
 - (b) made in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services Act 1986) or another stock exchange outside the United Kingdom on which shares in the capital of the Company are normally traded; or
 - (c) a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the Member and with any other person appearing to be interested in the shares.

(E) The provisions of this Article are in addition and without prejudice to the provisions of the Statutes.";

(h) by deleting from Article 78 the following words:

"The remuneration of the Directors shall from time to time be determined by the company in general meeting and shall be divisible amongst the directors as they may by Resolution determine and in default of determination equally"

and substituting therefor the words:

"Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the Directors (but not alternate Directors) for their services as Directors such amount of aggregate fees as the Board decides not exceeding £100,000 per annum or such larger amount as the Company may by ordinary resolution decide. The aggregate fees shall be divided among the Directors in such proportions as the Board decides or, if no decision is made, equally. A fee payable to a Director pursuant to this Article is distinct from any salary, remuneration or other amount payable to him pursuant to the other provisions of these Articles.";

- (i) by deleting from Article 82(H) the words "in which he is to his knowledge materially interested," and by substituting therefor the following:

"or proposal in which he has an interest which (together with any interest of any person connected with him) is a material interest (other than the division of remuneration as referred to in Article 78);";

- (j) by adding to Article 82(H)(iii) after the words "section thereof" the following words:

"in which the Director is or may be entitled to participate as a holder of shares, debentures or other securities";

- (k) by deleting from Article 82(H)(v) the words "owns" and substituting therefor the words:

"is the holder of or beneficially interested in";

- (l) by adding to Article 82(H)(v) after the word "more" the following words:

"of the capital of such company and for the purpose of this sub-paragraph (v) a Director is deemed to have an interest in one per cent. or more of the capital of such company if for the purposes of Part VI of the Companies Act 1985 he would be deemed to have such an interest";

- (m) by deleting the existing Article 82(H)(vii) in its entirety and by substituting therefor the following new Article numbered 82(H)(vii):

"(vii) a contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme for enabling employees, including full-time executive directors of the Company and/or any of its subsidiaries, to acquire shares in the Company which has been approved by the Inland Revenue or is conditional upon such approval or does not award the Director any privilege or benefit not awarded to the employees to whom such scheme relates.";

- (n) by adding a new sub-paragraph (viii) to Article 82(H) as follows:

"a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy under which any Director may benefit.";

- (o) by deleting Articles 82(I) and (L) in their entirety and renumbering the remainder of the paragraphs in Article 82 accordingly;
- (p) by adding to Article 87 after the words "latest audited consolidated balance sheet of the Company and its subsidiaries" the following words:

"subject to any adjustments the Directors consider appropriate in respect of variations in such amounts since the date of the latest audited consolidated balance sheet of the Company and its subsidiaries";

- (q) by renumbering Article 109 as Article 109(A) and inserting new Articles 109(B), (C), (D) and (E) as follows:-

"(B) The Company may exercise all powers conferred by the Statutes with regard to having official seals and such power shall be vested in the Board. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

(C) The Board may resolve that the Company may not have a seal.

(D) Where the Statutes so permit, any instrument or document signed by one director and the secretary or by two directors and expressed (using any form of words) to be executed by the Company shall have the same effect as if executed under the seal provided that no instrument or document which makes it clear on its face that it is intended to have effect as a deed shall be so signed without the authority of the Directors or by a duly authorised committee thereof. Any such instrument or document to be executed by the Company may have signatures affixed autographically.

(E) Any instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.";

- (r) by deleting from Article 123 the words "having been declared" and substituting therefor the words "the date the dividend became due for payment";
- (s) by deleting from Article 140 the words "at the time when" and substituting therefor the words "24 hours after"; and
- (t) by renumbering Article 141 as Article "141(A)" and inserting a new Article 141(B) as follows:

"If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to convene a general meeting by notices sent by post, the Board may, in its absolute discretion and as an alternative to any other method of service permitted by these Articles, resolve to convene a general meeting by a notice advertised in at least two leading United Kingdom national daily newspapers. In this case the Company shall send confirmatory copies of the notice by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable."

- (ii) by renumbering Article 143 as Article "143(A)" and inserting a new Article 143(B) as follows:

"(B) The Board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee or former officer or employee of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirement benefit scheme or other trust in which an officer or employee or former officer or employee is or has been interested, indemnifying him against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company."

- (6) (a) the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 80 of the Companies Act 1985 (the "Act") to exercise all powers of the Company to allot relevant securities (as defined in the said section) up to an aggregate nominal amount of £7,815,086, such authority to expire five years from the date of the passing of this Resolution but to be capable of previous revocation or variation by the Company in general meeting and of renewal from time to time by the Company in general meeting for a further period not exceeding five years;
- (b) the Company may make any offer or agreement before the expiry of this authority that would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement as if this authority had not expired; and
- (c) all previous authorities to allot relevant securities conferred by resolution of the Company pursuant to Section 80 of the Act or otherwise be and they are hereby revoked (to the extent that they have not been previously utilised); and
- (7) (a) the Directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities of the Company (as defined in Section 94 of the Act) pursuant to the authority conferred by paragraph (6) above as if section 89(1) of the Act did not apply to any such allotment provided that this power shall be limited to:

- (i) the allotment of equity securities in connection with a rights issue or other issue in favour of ordinary shareholders and the holders (if any) of any other shares or securities of the Company that by their terms are entitled to participate in such rights issue or issue where the equity securities respectively attributable to the interests of all ordinary shareholders and such holders of such other shares or securities of the Company are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them or in accordance with the rights attaching to such other shares or securities, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems arising in any overseas territory or the requirements of any regulatory body or stock exchange or otherwise; and
 - (ii) to the allotment of ordinary shares of 5p each in the capital of the Company up to an aggregate nominal amount of £5,416,666.65 in connection with the placing and open offer described in the Circular; and
 - (iii) the allotment otherwise than pursuant to sub-paragraph 7(a)(i) and (ii) above of equity securities up to an aggregate nominal amount of £351,889;
- (b) the power hereby conferred shall expire 15 months after the date of the passing of this Resolution or on the conclusion of the next Annual General Meeting following the date of passing of this Resolution (whichever occurs first) or such later date as the Company may by Special Resolution prescribe but may be previously revoked or varied by Special Resolution;
 - (c) the power hereby conferred shall enable the Company to make any offer or agreement that would or might require equity securities to be allotted after such power expires and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power hereby conferred had not expired; and
 - (d) all previous powers to allot equity securities conferred by resolution of the Company pursuant to Section 95 of the Act or otherwise be and they are hereby revoked (to the extent that they have not previously been utilised).

SPECIAL RESOLUTION


- 2 THAT, subject to and conditional upon the passing of the special resolution numbered 1 set out in the notice convening this Meeting and the Placing and Open Offer and the Acquisition referred to in the Circular being completed on or before 17th July 1995:
- (1) all of the deferred shares of 5p each in the share capital of the Company in issue immediately following the passing of this Resolution be and are hereby cancelled;

- (2) the amount standing to the credit of the share premium account of the Company following the issue and payment up of all of the new ordinary shares of 5p each which are the subject of the Placing and Open Offer described in the Circular be cancelled; and
- (3) forthwith upon the cancellation of the issued deferred shares of 5p each so resolved upon taking effect, the Articles of Association of the Company (as amended pursuant to paragraph (5)(a) of the special resolution numbered 1 set out in the Notice convening this Meeting) be and are hereby altered by deleting therefrom paragraphs (1) and (2) of Article 4 and by substituting therefor the following new paragraph:
- "(4).(i) The share capital of the Company at the date of the coming into effect of the alteration of the Articles of Association of the Company incorporating this new Article 4(1) is £9,570,250 divided into 190,000,000 ordinary shares of 5p each and 70,250 7 per cent. Cumulative Preference Shares of £1 each."

and by renumbering paragraph 3 of Article 4 as paragraph 2.

3. **SPECIAL RESOLUTION.**

THAT, the name of the Company be changed to "Bandt plc".


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Chairman