

29 - 01 - 97

Company Number 101959

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED
BY SHARES

RESOLUTIONS
OF ROSYTH ROYAL DOCKYARD PLC

Passed on 15 January 1997

At an extraordinary general meeting of the above named Company duly convened and held at Rosyth Royal Dockyard on 15 January 1997 at ~~am~~/pm, the following resolutions were duly passed as indicated below:

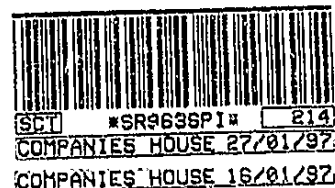
ORDINARY RESOLUTIONS

1. THAT 49,998 of the existing 50,000 ordinary shares of £1 each in the capital of the Company be converted into "A" ordinary shares of £1 each; and
2. THAT the authorised share capital of the Company be increased from £50,001 to £250,001 by the creation of 200,000 new ordinary shares of £1 each;

IN EACH CASE having the following rights:

- (a) in the case of the new ordinary shares and the special share, those rights specified in the existing Articles of Association of the Company; and
- (b) in the case of the "A" ordinary shares, those rights specified in Article 5A. of the Articles of Association in the form proposed as Resolution 4.3 set out in the notice of general meeting.

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SPECIAL RESOLUTIONS

3. THAT the Memorandum of Association of the Company be altered by the deletion of the existing clause 6 and the substitution therefor of the following new clause 6:

"The share capital of the Company is £250,001, divided into 49,998 "A" Ordinary Shares of £1 each, 200,002 Ordinary Shares of £1 each and one Special Share of £1."

4. THAT the Articles of Association of the Company be amended by:

- 4.1 the addition of the following new wording under Article 1(a):

""A" Ordinary Shares" means the "A" Ordinary Shares of £1 each in the capital of the Company;"

- 4.2 the deletion of the existing Article 2(A) and the substitution therefor of the following new Article 2(A):

2(A). "the authorised share capital of the Company is £250,001 divided into 49,998 "A" Ordinary Shares of £1 each, 200,002 Ordinary Shares of £1 each, and one Special Share of £1 having the rights and privileges set out in Articles 6 and 7"; and

- 4.3 the addition of the following Article as a new Article 5A:

"5A. The holders of "A" Ordinary Shares shall:-

- (A) not be entitled to receive notice of or attend or vote at general meetings of the Company save for meetings of the holders of the "A" Ordinary Shares as a class;

- (B) not be entitled to receive any dividend or share in the capital or profits of the Company, save as described below;
- (C) on a distribution of capital in a winding-up of the Company, be entitled to repayment of the capital paid up on the "A" Ordinary Shares, if and only if capital falling due to be paid to the holder of the Special Share and a payment of at least £100,000,000 has been paid on a winding-up to holders of Ordinary Shares."

.....*A. H. Smith*.....

Chairman