

130 2718

EHRMANN'S GROUP PLC

SPECIAL RESOLUTION

That the articles of association of the company be altered by:

- (i) deleting article 2(B)(iii) and substituting the following:

"on a Realisation (as defined in article 2(B)(iii)) the "A" Shares and the "B" Shares will be automatically converted to Ordinary Shares at the rate of 1 Ordinary Share for each "A" Share or "B" Share (as the case may be)."

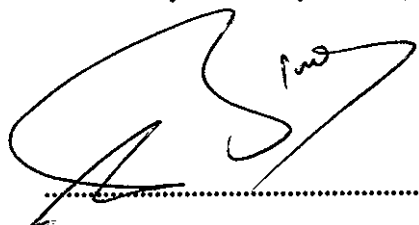
- (ii) deleting article 7.1.1 and substituting the following;

"Except as provided in article 7.12, any member or trustee in bankruptcy("Proposed Transferor") desiring to sell, transfer or otherwise dispose of any "A" Share, "B" Share or Employee Share (but not Ordinary Share) which he holds must give notice in writing ("Transfer Notice") to the company at its registered office specifying such number of "A" Shares, "B" Shares or Employee Shares (as the case may be) held by him which he desires to transfer ("Shares"), the price ("Offer Price"), if any, at which the Shares are offered by him and the third party or parties, if any, to whom he proposes to transfer the Shares if they are not purchased by a member pursuant to the following provisions of this article."

- (iii) deleting article 7.2 and substituting the following:

"The Transfer Notice will constitute the directors the agents of the Proposed Transferor for the sale of the Shares and the directors will, within 7 days or if later, within 7 days of receipt of the Further Information, if any, offer the Shares in writing to the other registered holders of Ordinary Shares "A" Shares and "B" Shares (but not Employee Shares) in proportion to their respective shareholdings (whether of Ordinary Shares, "A" Shares or "B" Shares) at the date of service of the Transfer Notice, unless they have determined pursuant to article 7.1.2 that the Offer Price and/or the Proposed Purchaser are not bona fide."

- (iv) deleting the word "Shares" at the end of the second line of article 7.13 and substituting the words "'A" Shares, "B" Shares or Employee Shares (but not any Ordinary Shares) which are:"



Director

26.2.1998

