

THE COMPANIES ACTS 1985 AND 1989  
A PUBLIC COMPANY LIMITED BY SHARES  
HEART OF MIDLOTHIAN FOOTBALL CLUB plc

(Registered No. 5863)

At an Extraordinary General Meeting of the Company held on Thursday 15 May 1997 at Tynecastle Park, Gorgie Road, Edinburgh EH11 2NL at 10.00am the following resolution was passed as a Special Resolution:-

SPECIAL RESOLUTION

1. THAT conditionally upon admission to the Official List of The London Stock Exchange Limited ("London Stock Exchange") of the whole of the Company's Ordinary Share capital in issue following the reorganisation of the share capital to be effected pursuant to this Resolution and the issue of new Ordinary Shares of 10p each in the capital of the Company pursuant to an agreement to be entered into between the Company, the Directors of the Company and Williams de Broë plc ("WDB") ("the Placing") becoming effective by the announcement of the London Stock Exchange's decision under Paragraph 7.1 of Chapter 7 of the Listing Rules ("the Listing Rules") made by it under Section 144 of the Financial Services Act 1986 (as amended) on 16 May 1997 (or such later date but being no later than 30 June 1997) ("Admission");
  - (A) each of the 431,200 Club Shares of 10p each in the capital of the Company currently in issue be and is hereby converted into 1 Ordinary Share of 10p in the capital of the Company carrying the same rights and obligations as the ordinary shares of 10p each at present in issue and that each of the 7,568,800 Club Shares of 10p each in the capital of the Company remaining unissued be reclassified as 1 Ordinary Share of 10p in the capital of the Company carrying the same rights and obligations as the Ordinary Shares of 10p each at present in issue;
  - (B) the authorised share capital of the Company be and is hereby increased from £1,050,000 to £1,300,000 by the creation of an additional 2,500,000 Ordinary Shares of 10p each ranking pari passu in all respects with the existing Ordinary Shares of 10p each in the capital of the Company;
  - (C) upon the recommendation of the Directors it is desirable to capitalise the sum of £293,120 being the amount standing to the credit of the Company's share premium account and part of the amount standing to the credit of the Company's property revaluation reserve and that such sum be capitalised and accordingly the Directors be and they are hereby authorised and directed to appropriate the said sum to the holders of the Ordinary Shares of 10p each in the capital of the Company and to apply such sum in paying up in full, at par on behalf of all the holders of Ordinary Shares of 10p each such number of new Ordinary Shares of 10p each in the proportion of one new Ordinary Share of 10p credited as fully paid up to each and every one Ordinary Share of 10p in issue and such new Ordinary Shares ranking pari passu in all respects with the existing Ordinary Shares of 10p each;

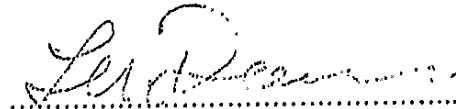


- (D) The Directors be and they are authorised generally and unconditionally pursuant to Section 80(1) of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Act) up to an aggregate nominal amount of £769,432 provided that this authority unless renewed shall expire on the earlier of 31 December 1997 and the next Annual General Meeting of the Company, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired and all authorities and powers conferred prior to the date of this Meeting in accordance with or pursuant to Section 80 of the Act and they are revoked, such revocation not to have retrospective effect.
- (E) The Directors be and they are hereby empowered pursuant to Section 95(1) of the Act to allot equity securities (within the meaning of Section 94(2) of the Act) for cash pursuant to the authority conferred by paragraph (D) of this Resolution as if Section 89(1) of the Act did not apply to any such allotment up to an aggregate nominal amount of £769,432 provided that such power shall be limited to:-
- (i) the allotment of 2,931,200 Ordinary Shares of 10p each, credited as fully paid up, to and among the holders of the Ordinary Shares of 10p each in the capital of the Company in issue (including the holders of Ordinary Shares of 10p each created by the passing of Resolution (A) above) in the proportion of 1 ordinary share of 10p for every 1 ordinary share of 10p each held;
  - (ii) the allotment of equity securities, wholly for cash in connection with the Placing up to an aggregate nominal amount of £390,000;
  - (iii) the allotment of 357,143 Ordinary Shares of 10p each arising from the capitalisation of part of a secured loan from New Hearts Limited to the Company up to an aggregate nominal value of £500,000;
  - (iv) an offer of equity securities open for acceptance for a period fixed by the Directors to the holders of Ordinary Shares of 10p each in the capital of the Company on a fixed record date in proportion (as nearly as practicable) to their respective holdings of Ordinary Shares of 10p each in the capital of the Company (but subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with legal problems or resulting from the application or apparent application of the laws of any territory or the requirements of any regulatory body or any stock exchange in any territory or in connection with fractional entitlements or otherwise howsoever); and
  - (v) other than pursuant to sub-paragraphs (i), (ii) and (iii) above, up to an aggregate nominal amount corresponding to 5% of the issued equity share capital of the Company immediately following completion of the Placing;

and unless previously renewed, revoked or varied such power shall expire on the earlier of 15 months from the date on which this Resolution is passed and the conclusion of the next Annual General Meeting of the Company save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such offer or agreement as if the power conferred hereby had not expired and all authorities and powers conferred prior to the date of this Meeting in accordance with or pursuant to Section 95 of the Act are revoked, such revocation not to have retrospective effect;

- (F) the regulations contained in the printed document produced to the meeting and signed by the Chairman for the purpose of identification be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company;
- (G) the Company change its name to Heart of Midlothian plc;
- (H) the Employee Share Option Scheme ("the Employee Scheme") in the form set out in the draft Rules produced to the Meeting and signed by the Chairman for the purpose of identification be and are hereby approved and adopted subject to such amendments as the Directors consider necessary or desirable to carry the same into effect or to obtain the approval of the Board of the Inland Revenue or any other regulatory authority and the Directors be authorised to do all acts and things which they may consider necessary or expedient for implementing or giving effect to said scheme.

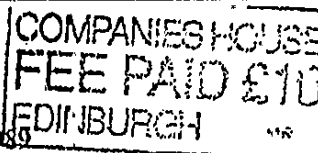
Certified a true copy



Leslie Deans  
(Chairman)

Dated 15 May 1997

" for information only "



THE COMPANIES ACTS 1985 AND 1989

A PUBLIC COMPANY LIMITED BY SHARES

HEART OF MIDLOTHIAN FOOTBALL CLUB plc

(Registered No. 5863)

At an Extraordinary Meeting of the holders of Club Shares of 10p each in the capital of the Company ("the Club Shares") held on Thursday 15 May 1997 at Tynecastle Park, Gorgie Road, Edinburgh EH11 2NL at 10.15am the following resolution was passed as an Extraordinary Resolution of the Club Shares:-

#### EXTRAORDINARY RESOLUTION

THAT the holders of Club Shares agree to the variation and/or abrogation of the rights attached to the Club Shares as set out in the Articles of Association by the passing of the following resolution at an Extraordinary General Meeting of the Company on the date hereof:-

That conditionally upon admission to the Official List of The London Stock Exchange Limited ("London Stock Exchange") of the whole of the Company's Ordinary Share capital in issue following the reorganisation of the share capital to be effected pursuant to this Resolution and the issue of new Ordinary Shares of 10p each in the capital of the Company pursuant to an agreement to be entered into between the Company, the Directors of the Company and Williams de Broë plc ("WDB") ("the Placing") becoming effective by the announcement of the London Stock Exchange's decision under Paragraph 7.1 of Chapter 7 of the Listing Rules ("the Listing Rules") made by it under Section 144 of the Financial Services Act 1986 (as amended) on 16 May 1997 (or such later date but being no later than 30 June 1997) ("Admission"):

- (A) each of the 431,200 Club Shares of 10p each in the capital of the Company currently in issue be and is hereby converted into 1 Ordinary Share of 10p in the capital of the Company carrying the same rights and obligations as the Ordinary Shares of 10p each at present in issue and that each of the 7,568,800 Club Shares of 10p each in the capital of the Company remaining unissued be reclassified as 1 Ordinary Share of 10p in the capital of the company carrying the same rights and obligations as the Ordinary Shares of 10p each at present in issue;
- (B) the authorised share capital of the Company be and is hereby increased from £1,050,000 to £1,300,000 by the creation of an additional 2,500,000 Ordinary Shares of 10p each ranking pari passu in all respects with the existing Ordinary Shares of 10p each in the capital of the Company;
- (C) upon the recommendation of the Directors it is desirable to capitalise the sum of £293,120 being the amount standing to the credit of the Company's share premium account and part of the amount standing to the credit of the Company's property revaluation reserve and that such sum be capitalised and accordingly the Directors be and they are hereby authorised and directed to appropriate the said sum to the holders of the Ordinary Shares of 10p each in the capital of the Company and to apply such sum in paying up in full, at par on behalf of all the holders of Ordinary Shares of 10p each such number of new Ordinary Shares of 10p each in the proportion of one

new Ordinary Share of 10p credited as fully paid up to each and every one Ordinary Share of 10p in issue and such new Ordinary Shares ranking pari passu in all respects with the existing Ordinary Shares of 10p each;

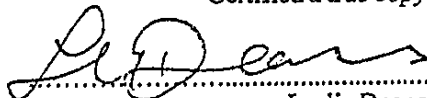
- (D) The Directors be and they are authorised generally and unconditionally pursuant to Section 80(1) of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Act) up to an aggregate nominal amount of £769,432 provided that this authority unless renewed shall expire on the earlier of 31 December 1997 and the next Annual General Meeting of the Company, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired and all authorities and powers conferred prior to the date of this Meeting in accordance with or pursuant to Section 80 of the Act and they are revoked, such revocation not to have retrospective effect.
- (E) The Directors be and they are hereby empowered pursuant to Section 95(1) of the Act to allot equity securities (within the meaning of Section 94(2) of the Act) for cash pursuant to the authority conferred by paragraph (D) of this Resolution as if Section 89(1) of the Act did not apply to any such allotment up to an aggregate nominal amount of £769,432 provided that such power shall be limited to:-
- (i) the allotment of 2,931,200 Ordinary Shares of 10p each, credited as fully paid up, to and among the holders of the Ordinary Shares of 10p each in the capital of the Company in issue (including the holders of Ordinary Shares of 10p each created by the passing of Resolution (A) above) in the proportion of 1 Ordinary Share of 10p for every 1 ordinary share of 10p each held;
  - (ii) the allotment of equity securities, wholly for cash in connection with the Placing up to an aggregate nominal amount of £390,000;
  - (iii) the allotment of 357,143 Ordinary Shares of 10p each arising from the capitalisation of part of a secured loan from New Hearts Limited to the Company up to an aggregate nominal value of £500,000;
  - (iv) an offer of equity securities open for acceptance for a period fixed by the Directors to the holders of Ordinary Shares of 10p each in the capital of the Company on a fixed record date in proportion (as nearly as practicable) to their respective holdings of Ordinary Shares of 10p each in the capital of the Company (but subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with legal problems or resulting from the application or apparent application of the laws of any territory or the requirements of any regulatory body or any stock exchange in any territory or in connection with fractional entitlements or otherwise howsoever); and
  - (v) other than pursuant to sub-paragraphs (i), (ii) and (iii) above, up to an aggregate nominal amount corresponding to 5% of the issued

equity share capital of the Company immediately following completion of the Placing;

and unless previously renewed, revoked or varied such power shall expire on the earlier of 15 months from the date on which this Resolution is passed and the conclusion of the next Annual General Meeting of the Company save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such offer or agreement as if the power conferred hereby had not expired and all authorities and powers conferred prior to the date of this Meeting in accordance with or pursuant to Section 95 of the Act are revoked, such revocation not to have retrospective effect;

- (F) the regulations contained in the printed document produced to the meeting and signed by the Chairman for the purpose of identification be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company;
- (G) the Company change its name to Heart of Midlothian plc;
- (H) The Employee Share Option Scheme ("the Employee Scheme") in the form set out in the draft Rules produced to the Meeting and signed by the Chairman for the purpose of identification be and are hereby approved and adopted subject to such amendments as the Directors consider necessary or desirable to carry the same into effect or to obtain the approval of the Board of the Inland Revenue or any other regulatory authority and the Directors be authorised to do all acts and things which they may consider necessary or expedient for implementing or giving effect to said scheme.

Certified a true copy



Leslie Deans  
(Chairman)

Dated 15 May 1997

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**CERTIFICATE OF INCORPORATION  
ON CHANGE OF NAME**

Company No. 5863

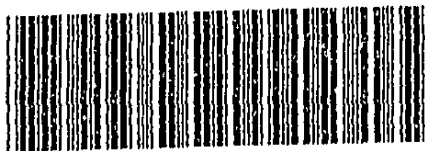
The Registrar of Companies for Scotland hereby certifies that

HEART OF MIDLOTHIAN FOOTBALL CLUB P.L.C.

having by special resolution changed its name, is now incorporated  
under the name of

HEART OF MIDLOTHIAN PLC

Given at Companies House, Edinburgh, the 7th July 1997



\*CSC0058636\*

**J. HENDERSON**

Registrar Of Companies



C O M P A N I E S H O U S E