

Company Number
152298

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

OF

UNITED NEWS & MEDIA PLC
(passed on 13 November, 2000)

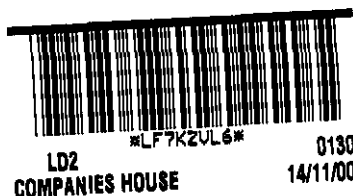
At an Extraordinary General Meeting of the Company duly convened and held at Ludgate House, 245 Blackfriars Road, London SE1 9UY on 13 November, 2000 the following Resolution was duly passed as a Special Resolution of the Company:

Special Resolution

That:

- (a) the Scheme of Arrangement dated 20 October, 2000 between the Company and the holders of the Scheme Shares (as therein defined), a print of which has been produced to this meeting and which has, for the purpose of identification, been signed by the Chairman of the meeting, in its present form or with or subject to any modification, addition or condition approved or imposed by the High Court of Justice (the "**Court**") in accordance with clause 16 thereof (the "**Scheme**"), be and is hereby approved;
- (b) for the purpose of giving effect to the Scheme, the capital of the Company be reduced by cancelling all the Scheme Shares (as defined in the Scheme) subject to and in accordance with the Scheme;
- (c) forthwith upon the reduction of capital referred to in paragraph (b) of this Resolution taking effect:

FILED BY: ALLEN & OVERY
ONE NEW CHANGE
LONDON EC4M 9QQ
(CMK/EGR)



- (i) the authorised share capital of the Company be increased to its former amount by the creation of:

- (A) such number of new ordinary shares of 25p each ("**Ordinary Shares**") as shall equal the number of Scheme Shares cancelled pursuant to the reduction referred to in paragraph (b) of this Resolution, less 300,000; and
- (B) 300,000 deferred shares of 25p each ("**Deferred Shares**") which shall confer the rights and restrictions as set out in the Company's Articles of Association as amended by paragraph (c)(ii) of this Resolution;

- (ii) the Articles of Association of the Company shall be amended by the deletion of Article 3 and the substitution therefor of the following new Article:

"3. The authorised share capital of the Company at the date of adoption of this Article is £165,000,000 divided into 659,700,000 ordinary shares of 25p each and 300,000 deferred shares of 25p each. The rights and restrictions attached to the deferred shares shall be as follows:

As to income

- (a) a deferred share shall entitle the holder to receive a dividend of an amount equal to 0.001 per cent. of the total amount of the profits of the Company available for distribution (as defined in section 263(3) of the Act) in respect of any financial year of the Company or other period for which the Company's accounts are prepared divided by the number of deferred shares for the time being in issue;
- (b) no dividend shall exceed the amount recommended or resolved to be paid by the directors, subject thereto dividends payable under this Article shall be payable in such number of instalments and on such dates as the directors may determine from time to time; and

- (c) the Company may not make a distribution to its members except in accordance with the Articles.

As to capital

on a return of capital on a winding up but not otherwise, a deferred share shall entitle the holder only to a repayment of the nominal amount paid up on such share after repayment to each holder of an ordinary share of a sum equal to the capital paid up on that share plus £1,000,000 per ordinary share.

As to voting

the holder of a deferred share shall not by reason of holding such share be entitled to receive notice of or to attend or vote at any general meeting of the Company."

- (iii) for the purpose of giving effect to the Scheme and in addition to all existing authorities, the Directors of the Company be and are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") at any time up to 31 December 2001 to exercise the powers of the Company to allot Ordinary Shares and Deferred Shares provided that the maximum nominal amount of Ordinary Shares and Deferred Shares in the capital of the Company that may be so allotted shall be £187,500 and £75,000 respectively; and
- (iv) £187,500 of the credit arising in the books of account of the Company as a result of the reduction of capital referred to in paragraph (b) of this Resolution shall be capitalised and applied in paying up in full at par 750,000 of the Ordinary Shares, which shall be allotted and issued, credited as fully paid, to United Reconstructions Limited and £75,000 of such credit shall be capitalised and applied in paying up in full at par the Deferred Shares, which shall be issued, credited as fully paid, to Newco United Limited;
- (d) with effect from the passing of this Resolution, the Articles of Association of the Company be amended by the addition of the following new Article 131:

"Scheme of Arrangement"

- 131 (1) In this Article references to the "Scheme" are to the scheme of arrangement between the Company and the holders of Scheme Shares dated 20 October 2000 as it may be modified or added to in accordance with its terms, and expressions defined in the Scheme shall have the same meaning when used in this Article.
- (2) Notwithstanding any other provisions in these Articles, if any United Shares shall be issued after the adoption of this Article and at or prior to 6.00 p.m. on the day immediately preceding the date upon which the Court shall make an order sanctioning the Scheme and confirming the reduction of capital of the Company provided for by clause 1 of the Scheme (the "**Relevant Time**"), such United Shares shall be allotted and issued subject to the terms of the Scheme and shall accordingly constitute Scheme Shares for the purposes of, and the holders thereof shall be bound by, the Scheme.
- (3) (a) Subject to the Scheme taking effect, if any United Shares shall be issued after the Relevant Time to any person (a "**new member**") (other than any issued to United Reconstructions and Newco United pursuant to the Scheme or otherwise and any issued to a person in respect of the exercise of conversion rights pursuant to the terms of the Company's 6 1/8 per cent. Subordinated Convertible Bonds due 2003), such United Shares shall be allotted and issued on terms that, forthwith upon the issue thereof or, if later, forthwith after the Effective Date, they shall be transferred to Newco United.
- (b) The consideration for any such transfer provided for in paragraph (3)(a) of this Article shall be the allotment and issue by New United to the new member of such number of New United Shares, credited as fully paid, as shall be calculated by multiplying the relevant number of United Shares so transferred by the following fraction:

$$\frac{A}{B}$$

Where:

A is the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) of a United Share on the last three days of trading in United Shares on the London Stock Exchange; and

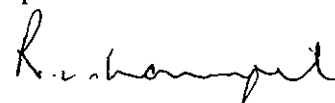
B is the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) of a New United Share on the first three days of trading in New United Shares on the London Stock Exchange.

- (c) The number of New United Shares to be allotted and issued to a new member under paragraph (3)(b) of this Article may be further adjusted by the directors in such manner as the auditors may determine to be fair and reasonable on any reorganisation of the share capital of United or of New United effected after the close of business on the Effective Date, provided always that any fractions of a New United Share shall be disregarded and shall be aggregated and sold for the benefit of New United.

- 4. In order to give effect to any transfer required by this Article, United may appoint any person to execute and deliver on behalf of the new member or subsequent holder of United Shares a form of transfer in favour of Newco United, and to agree for an on behalf of such person to become a member of New United"; and

- (e) subject to and forthwith upon the Scheme taking effect in accordance with its terms, the Articles of Association of the Company be further amended by the insertion of the following words at the end of Article 115;

"In addition to any other powers provided herein, the board may make payment of any interim dividend wholly or partly by the distribution of specific assets and, in particular, but without prejudice to the generality of the foregoing, of property interests, intellectual property rights or the benefit of any contractual or other rights, paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and where any difficulty arises in regard to such distribution, the board may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the board."



Chairman