

THE COMPANIES ACT 1985 AND 1989

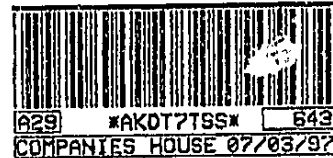
PUBLIC COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

OF

MIDLAND BANK PLC

("the Company")



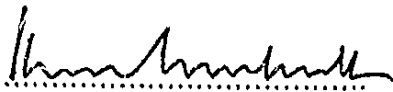
At an Extraordinary General Meeting (the "Meeting") of the Company held at Poultry, London, EC2P 2BX on 5 February 1997 the following resolution was passed as a special resolution:

SPECIAL RESOLUTION

THAT:

- (1) the authorised share capital of the Company be increased by the creation of 4,000,000 non-cumulative preference shares of US\$0.01 each, such shares ("second dollar preference shares") having attached thereto the respective rights and being subject to the respective limitations set out in the Articles of Association of the Company as altered by paragraph (2) of this resolution;
- (2) the alterations to the Articles of Association of the Company as set out in the Appendix to the Notice convening the Extraordinary General Meeting, a copy of which Appendix was produced to the Meeting and initialled by the Chairman for purposes of identification, be and are hereby approved;
- (3) in addition to and without prejudice to the authority conferred by Article 8B(1) of the Articles of Association of the Company, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot second dollar preference shares up to an aggregate nominal amount of US\$ 40,000 and this authority (unless previously revoked or varied) shall expire on 4 May 1997 but shall allow the Company before such expiry to make an offer or agreement which would or might require the allotment of all or any of those shares after such expiry;
- (4) the Directors be generally empowered in accordance with section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by paragraph (3) of this resolution as if section 89(1) of the Act did not apply to the allotment. This power:
 - (a) expires on 4 May 1997 but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this authority and the Directors may allot equity securities in pursuance of that offer or agreement; and

(b) is limited to allotments of equity securities for cash up to an aggregate nominal amount equal to the aggregate nominal value of the second dollar preference shares.



I B Marshall
Secretary

20 FEB 1997