

Company number: 1322455

WE HEREBY CERTIFY
THIS TO BE A TRUE COPY
OF THE ORIGINAL

Leeds Day 26-10-05

THE COMPANIES ACT 1985

LEEDS DAY
Solicitors
1A SOUTH STREET
ST. NEOTS
HUNTINGDON
CAMBS. PE19 2BW

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION OF

SAFFORD'S COACHES LIMITED

(the "Company")



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COMPANIES HOUSE
COMPANIES HOUSE

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07/10/05
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Pursuant to Section 381A of the Companies Act 1985 (the "Act")

We, the undersigned members of the Company who at the date of this resolution would be entitled to attend and vote at general meetings of the Company, hereby unanimously agree the following resolutions:

1. **THAT**, subject to compliance with sections 155 to 158 of the Companies Act 1985 (the "Act"), the giving by the Company of financial assistance for the purpose of the acquisition by Saffords Holdings Limited ("**Holdings**") of 75% of the issued shares in the capital of the Company in the form described in the statutory declaration sworn by the directors of the Company pursuant to section 155(6) of the Act on the date hereof be approved.
2. **THAT** the execution, delivery and performance by the Company of:
 - 2.1.1 a cross guarantee and debenture between the Company, Holdings and Barclays Bank Plc ("the Bank"), pursuant to which the Company and Holdings guarantee the obligations of the Company under a facility letter between the Company and Barclays Mercantile Business Finance Ltd (the "**Facility Letter**") and charge their assets and undertaking as security for those obligations;
 - 2.1.2 a chattel mortgage between the Company and the Bank, pursuant to which the Company will charge its assets as security for the Company's obligations under the Facility Letter;
 - 2.1.3 a debenture between the Company and Malcolm Safford, pursuant to which the Company gives security for Holdings' obligations under a

Share Sale and Purchase Agreement between Malcolm Safford and Holdings and charges its assets and undertaking as security for those obligations;

2.1.4 an Inter-Company Loan Agreement between the Company and Holdings under which the Company lends money to Holdings for the acquisition of Malcolm Safford's shareholding in the Company.

2.1.5 a debenture between Holdings and Malcolm Safford, pursuant to which Holdings guarantees its obligations under a Share Sale and Purchase Agreement between Malcolm Safford and Holdings and charges its assets and undertaking as security for those obligations; and

2.1.6 a Deed Regulating Priorities (the "**Deed of Priority**") between the Company, Holdings, Malcolm Safford and the Bank pursuant to which Malcolm Safford will subordinate his right to repayment of monies due from the Company and Holdings in certain circumstances and agree to the Bank having prior security as creditor of Holdings and the Company,

be approved, even though the execution, delivery and performance of each of those documents constitutes financial assistance for the purpose of the acquisition by Holdings of 75% of the issued shares in the capital of the Company.

3. **THAT** the payment by the Company out of cash reserves of £400,000 to Holdings be approved, even though this constitutes financial assistance for the purpose of the acquisition by Holdings of 75% of the issued shares in the capital of the Company.
4. **THAT** the Company's Memorandum of Association be and is hereby amended by the insertion of a new paragraph (z) to be added to Clause 3 of the Memorandum of Association namely: - "To the extent that the same is permitted by law, to give financial assistance for the purpose of the acquisition of shares in the Company or the Company's holding company for the time being (as defined by Section 736 of the Companies Act 1985) and to give such assistance by any means howsoever permitted by law."

Dated 30 September 2005

Signed:


MALCOLM CHARLES SAFFORD

Signed:

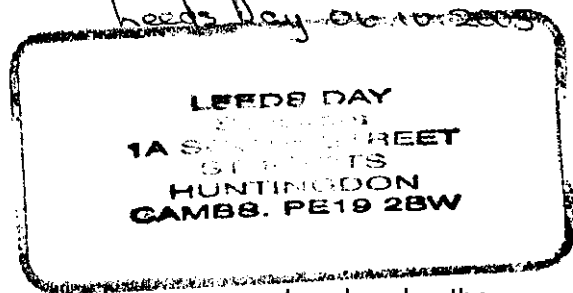

SHIRLEY IRENE GILLETT

1322455

WE HEREBY CERTIFY
THIS TO BE A TRUE COPY
OF THE ORIGINAL

Leeds Day 06-10-2005

From: Safford's Coaches Limited



MEMORANDUM

This Memorandum is given in connection with the proposal arrangements whereby the Company will give financial assistance for the acquisition of its own shares, particulars of which are given in the statutory declaration made by the directors this day pursuant to section 155(6) of the Companies Act 1985 (the "Act")

1 As at the close of business on 29th September 2005 the aggregate of the Company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated.

1.1 Based on the Company's knowledge of events since that date and of the likely course of the Company's business and having received advice from its financial advisers, the Company has formed the opinion that to the best of its knowledge and belief the aggregate of the Company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is given and

EITHER that the giving of such financial assistance will not reduce the net assets of the Company

OR that the amount by which the giving of such financial assistance will reduce the net assets of the Company will not exceed the distributable profits of the Company as determined on the basis of its last annual accounts made up to 31st December 2004 (and after taking account of distributions since that date).

SIGNED ON BEHALF OF THE COMPANY:

T. Gillett

DATED:

30/9/05