

Company No.
951043

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

RESOLUTIONS

of

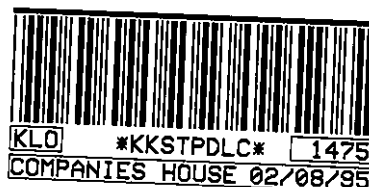
MERCURY ASSET MANAGEMENT GROUP plc

(passed on 3rd July, 1995)

At an EXTRAORDINARY GENERAL MEETING of the Company duly convened and held at 33 King William Street, London EC4R 9AS on 3rd July, 1995, the following resolutions were duly passed:

ORDINARY RESOLUTIONS

1. THAT the Scheme of Arrangement dated 9th June, 1995 between S.G. Warburg Group plc and the holders of (i) the Scheme Ordinary Shares, (ii) the Scheme Deferred Shares and (iii) the Scheme Preference Shares (as respectively defined in the said Scheme) and the Company (the "Scheme"), a print of which Scheme has been produced to the meeting and signed by the Chairman for the purpose of identification, and the transactions related to the Scheme to which the Company is a party and otherwise proposed to be entered into by the Company, as described in the circular to shareholders of the Company dated 9th June, 1995 (the "MAM Circular"), together with the Option Agreement (as defined in the MAM Circular), be approved subject to any amendment or variation thereto which may be approved by the Directors or a duly authorised committee thereof.
2. THAT conditionally upon the Scheme becoming effective in accordance with its terms:
 - (A) the authorised share capital of the Company be increased from £12,500,000 to £19,404,300 by the creation of 138,086,000 additional Ordinary Shares of 5p each; and



- (B) in accordance with Article 1(M) of the Company's Articles of Association, the Directors be authorised to allot relevant securities up to a maximum nominal amount of £6,904,300 provided that:
- (i) this authority shall expire on 31st March, 1996; and
 - (ii) all previous authorities under section 80 of the Companies Act 1985, save as conferred on the Directors by resolution 8 below, shall henceforth cease to have effect.

SPECIAL RESOLUTIONS

3. THAT for the purposes of giving effect to the Scheme and conditionally upon the Scheme becoming effective in accordance with its terms, the Company be authorised to issue up to the maximum nominal amount of unsecured loan notes of the Company ("Loan Notes"), the terms of which are described in the MAM Circular, for which valid elections are made pursuant to the Scheme by the holders of the Scheme Ordinary Shares and the Scheme Deferred Shares together with additional unsecured loan notes which may (pursuant to the rights attached to the Loan Notes) be required to be issued by a subsidiary of the Company ("Additional Loan Notes") and that the borrowing limits in Article 1 (B) of the Company's Articles of Association be deemed to be amended so that the aggregate amount of borrowings arising as a result of the issue of such Loan Notes and Additional Loan Notes be additional to and not included within the aggregate principal amount from time to time outstanding of all borrowings otherwise permitted by the said Article 1(B).
4. THAT:
 - (A) conditionally upon the Scheme becoming effective in accordance with its terms, each of the fully paid Ordinary Shares of 5p each in the Company which are beneficially owned by S.G. Warburg Group plc on the date on which the Scheme becomes effective be converted into a fully paid Deferred Share of 5p in the Company having attached thereto the following rights and restrictions:
 - (i) a Deferred Share shall not entitle the holder thereof to participate in any dividend or other distribution paid or made by the Company nor, except as otherwise provided in sub-paragraph (ii), to participate in the profits or assets of the Company;
 - (ii) on a return of assets on liquidation or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be applied in repaying to the holder of each Deferred Share the amount paid up on such Deferred Share after a total sum of £2,000,000 has been distributed in such liquidation or otherwise in respect of each issued Ordinary Share of the Company; and
 - (iii) a Deferred Share shall not entitle the holder thereof to receive notice of or to attend or to vote at any general meeting of the Company by virtue or in respect of their holding of a Deferred Share.

- (B) the terms of the proposed contract between the Company and S.G. Warburg Group plc (a copy of which has been produced to the meeting and signed by the Chairman for the purpose of identification), for the purchase by the Company of all of the Deferred Shares of 5p each beneficially owned by S.G. Warburg Group plc on the date on which the Scheme becomes effective at an aggregate price of £1, be approved and the Directors of the Company be given authority to enter into and complete such contract on behalf of the Company, such authority to expire on 31st March, 1996; and
 - (C) with effect from, and subject to and conditional upon, completion of the contract referred to in paragraph (B) of this resolution, the authorised share capital of the Company be reduced by the cancellation of all of the unissued Deferred Shares of 5p each formerly beneficially owned by S.G. Warburg Group plc.
5. THAT conditionally upon completion of the sale by S.G. Warburg Group plc to Swiss Bank Corporation or its wholly-owned subsidiary, SBCI Swiss Bank Corporation Investment banking Ltd., of SGW's Investment Banking Business (as defined in the MAM Circular) and notwithstanding any provision to the contrary contained in the Company's Articles of Association, on the recommendation of the Directors a special interim dividend of 40.0p (net) be declared payable on the earliest of (i) the date being 20 business days following the date on which the Scheme becomes effective; (ii) if the Directors of the Company announce that the Scheme will not or cannot proceed, the date being 20 business days following the date of such announcement; and (iii) if the Scheme does not become so effective by 31st December, 1995, on 26th January, 1996, to Minority Shareholders (as defined in the MAM Circular) registered at the close of business on 18th July, 1995 (or such other date as the Directors may determine) in respect of each ordinary share then registered in their respective names.
6. THAT the Company's Articles of Association be amended as set out in the document produced in the meeting (and signed by the Chairman for the purpose of identification) and that the revised regulations contained therein be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, all the existing Articles thereof.

ORDINARY RESOLUTIONS

7. THAT:
- (A) the Related Party Transaction (as defined in the MAM Circular) be hereby approved; and
 - (B) in the event that the sale of SGW's Investment Banking Business (as defined in the MAM Circular) is completed but either the Scheme does not become effective in accordance with its terms by 31st December, 1995 or, if earlier, the date on which the Company announces that the Scheme will not or cannot proceed then, on the earlier of such dates:
 - (1) the authorised share capital of the Company be increased from £12,500,000 to £47,500,000 by the creation of 700,000,000 Deferred Shares of 5p each in the capital of the Company having the rights and restrictions attached thereto as are set out in sub-paragraphs (A)(i), (ii) and (iii) of resolution 4 above; and

- (2) in accordance with Article 1(M) of the Company's Articles of Association (or, if resolution 6 above is duly passed, Article 10 of the Company's Articles of Association) the Directors be authorised to allot up to £35,000,000 in nominal amount of the Deferred Shares created pursuant to paragraph (B)(1) of this resolution to S.G. Warburg Group plc provided that:

- (i) this authority shall expire on 31st March, 1996; and
- (ii) that all previous authorities under section 80 of the Companies Act 1985, save as conferred on the Directors by resolution 8 below, shall henceforth cease to have effect.

8. THAT, in accordance with Article 1(M) of the Company's Articles of Association (or, if resolution 6 above is duly passed, Article 10 of the Company's Articles of Association) the Directors be authorised to allot relevant securities up to a maximum nominal amount of £3,068,580 provided that:

- (i) this authority shall expire on the date of the Annual General Meeting of the Company to be held in 1996; and
- (ii) that all previous authorities under section 80 of the Companies Act 1985 shall henceforth cease to have effect save that this authority shall be in addition to and without prejudice to the authorities conferred by resolutions 2 and 7 above.

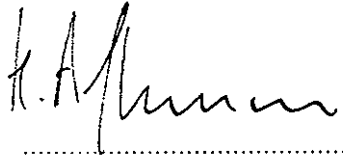
SPECIAL RESOLUTIONS

9. THAT, conditionally on the passing of resolution 8 above in accordance with Article 1(N) of the Company's Articles of Association (or, if resolution 6 above is duly passed, Article 11 of the Company's Articles of Association), the Directors be empowered to allot equity securities for cash and that for the purposes of sub-paragraph (iii) (or (c) as the case may be) of that Article, the nominal amount to which this power is limited shall be £460,287 and this power shall expire on the date of the Annual General Meeting of the Company to be held in 1996.

10. THAT in accordance with its Articles of Association and the Companies Act 1985, the Company is generally and unconditionally authorised to make market purchases (within the meaning of Section 163 of the Companies Act 1985) of Ordinary Shares on such terms and in such manner as the Board may from time to time determine, provided that:

- (i) the maximum number of Ordinary Shares that may be purchased pursuant to this authority is 9,098,000;
- (ii) the maximum price which may be paid for an Ordinary Share purchased pursuant to this authority is an amount equal to 105 per cent. of the average of the middle market prices shown in the quotations for the Ordinary Shares in The London Stock Exchange Daily Official List for the ten business days immediately preceding the day on which such Ordinary Share is purchased and the minimum price which may be paid is 5p per Ordinary Share (in each case exclusive of expenses and advance corporation tax (if any) payable by the Company); and

- (iii) this authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 1996, unless renewed before that time, but the Company may make a contract to purchase its Ordinary Shares under this authority before its expiry which will or may be executed wholly or partly after its expiry, and may make a purchase of Ordinary Shares in pursuance of any such contract.

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Chairman

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