

No. 1761813

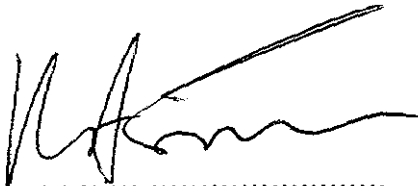
CITY INDEX LIMITED


**Written resolutions of the Company pursuant to
Section 381A of the Companies Act 1985**

We, being the holders of the entire issued share capital of the Company and being the sole members of the Company at the date of this resolution who would be entitled to attend and vote at a general meeting of the Company, HEREBY pass the following resolution as written resolutions of the Company.

RESOLUTION

THAT the Company adopt new Articles of Association to the exclusion of the existing Articles of Association of the Company in the form of the regulations attached hereto and marked "A".


.....
Michael Spencer


.....
City Index (Holdings) Limited

4 FEBRUARY 2004.



A44	*A7C7PUF3*	0151
COMPANIES HOUSE		26/05/04
LD3	*LE69GV10*	0202
COMPANIES HOUSE		12/05/04

CITY INDEX LIMITED

**Form of Articles of Association
"A"**

COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

-of-

CITY INDEX LIMITED
(Adopted by Written Resolution
dated [•] February 2004)

4

COMPANIES ACT 1985

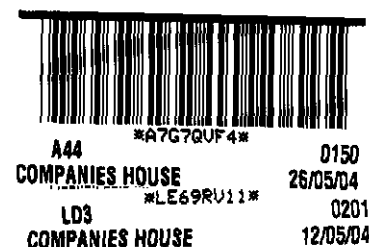
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

-of-

CITY INDEX LIMITED

INTRODUCTORY



- 1.1 The Regulations contained in Table A in the First Schedule to the Companies Act 1948 shall not apply to the Company.
- 1.2 The Regulations contained or incorporated in Table A in the Schedule to The Companies Tables A to F) Regulations 1985 as amended by The Companies (Tables A to F) Amendment Regulations 1985 and The Companies Act 1985 (Electronic Communications) Order (hereinafter called "Table A") shall apply to the Company, save insofar as they are varied or excluded by or are inconsistent with the following Articles.
- 1.3 In Regulation 1 of Table A, the words "and in Articles of Association adopting the same" shall be inserted after the word "regulations" in the last paragraph of that Regulation and the sentences "Any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force" shall be inserted at the end of that Regulation.
- 1.4 Regulations 40, 73 to 77 (inclusive), 80, 90, 94 to 98 (inclusive) and 118 of Table A shall not apply to the Company.
- 2 In these Articles, the expression the "Controlling Shareholder" means the registered holder for the time being of more than one half in nominal value of the issued ordinary share capital of the Company and includes (for the avoidance of doubt) any member holding all of the issued ordinary share capital of the Company and the expression "the Nominee" means any person holding shares in the Company as nominee or otherwise on trust, for the Controlling Shareholder.

SHARE CAPITAL

- 3 The current share capital of the Company is £2,333,065 divided into 233,306,500 Ordinary Shares of 1 pence each.
- 4.1 No share or beneficial interest in a share shall be issued or allotted to any person other than the Controlling Shareholder or some other person expressly approved by the Controlling Shareholder in writing, but subject to that all the unissued shares for the time being in the capital of the Company shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms and conditions as they think

proper, subject to section 80 of the Act and provided that no share shall be issued at a discount.

- 4.2 The Directors are authorised, for the purposes of Section 80 of the Act, to allot and issue relevant securities (as defined in Section 80(2) of the Act) up to an aggregate nominal value of £2,258,065. This authority shall expire on the fifth anniversary of the date of adoption of these Articles, unless previously revoked, renewed or varied by the Company in general meeting.
- 4.3 The Directors shall be entitled, pursuant to the authority conferred by Article 4.2 or the renewal or variation of such authority, to make at any time prior to its expiry any offer or agreement which would or might require relevant securities to be allotted after such expiry and to allot relevant securities pursuant to any such offer or agreement.
- 4.4 The provisions of sections 89(1) and 90(1) to (6) of the Act shall not apply to the Company.

TRANSFER OF SHARES

- 5.1 The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of any share in the capital of the Company, whether fully or partly paid, save that the Directors shall be obliged to register any transfer of shares made to or by, or with the express written consent of the Controlling Shareholder, or made pursuant to Article 5.2. In its application to the Company Regulation 24 of Table A shall be modified by the deletion of the first sentence.
- 5.2 The Controlling Shareholder may at any time by notice given to the Nominee at the registered address of the Nominee shown in the Register of Members of the Company require the Nominee to transfer all or any shares registered in his name to the Controlling Shareholder or any other person specified in the notice for no consideration. If the Nominee shall fail, within 48 hours after service of the notice, to transfer the shares in question, the Directors may authorise any person to execute on behalf of and as attorney for the Nominee any necessary instrument of transfer and shall cause the name of the transferee to be entered in the Register as the holder of the shares in question. After the name of the transferee has been entered in the Register in purposes exercise of these powers, the validity of the proceedings shall not be questioned by any person.

GENERAL MEETINGS

- 6 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. One member holding more than one half in nominal value of the issued ordinary share capital of the Company for the time being and present in person or by proxy or representative shall constitute a quorum and shall be deemed for this purpose to constitute a valid meeting but, where no member holds more than one half in nominal value of the issued ordinary share capital of the Company for the time being, two members present in person or by proxy or representative shall instead be a quorum.
- 7 In its application to the Company, the final sentence of Regulation 38 of Table A shall be modified by the insertion of the words "known to be" after the words "to all persons".

- 8 In its application to the Company, Regulation 50 of Table A shall be modified by the insertion of the word "not" after the word "shall".

DIRECTORS

- 9 In its application to the Company, Regulation 64 of Table A shall be modified by the deletion of the word "two" and the substitution of the word "one".
- 10 The Controlling Shareholder shall have the right at any time and from time to time to appoint one or more persons to be a Director or Directors of the Company. Any such appointment shall be effected by notice in writing to the Company by the Controlling Shareholder and the Controlling Shareholder may in like manner at any time and from time to time remove from office any Director (whether or not appointed by him or it pursuant to this Article).
- 11 In its application to the Company, Regulation 65 of Table A shall be modified by the deletion of the words "approved by resolution of the Directors and".
- 12.1 In its application to the Company, Regulation 78 of Table A shall be modified by the deletion of the words "... and may also determine the rotation in which any additional Directors are to retire".
- 12.2 In its application to the Company, Regulation 79 of Table A shall be modified by the deletion of the second and third sentences.
- 12.3 In its application to the Company, Regulation 84 of Table A shall be modified by the deletion of the third and final sentences.
- 13 In its application to the Company, Regulation 81 of Table A shall be modified by the deletion of paragraph (e) and the substitution of the following paragraph:-

“(e) he is removed from office under the provisions of Article 10 of the Company’s Articles of Association.”

PROCEEDINGS OF DIRECTORS

- 14.1 If within half an hour of the time appointed for a meeting of directors a quorum is not present, the meeting shall stand adjourned to the same day (or, if that day is a holiday, to the next following working day) in the next week but one and at the same time and place or to such other date, time and place as the directors present determine (not being more than 30 days nor less than 10 days after the date appointed for the meeting of the directors unless agreed by all the directors entitled to vote at the meeting). The quorum for any adjourned meeting shall be as provided in Regulation 89 of Table A but subject to Article 14.2.
- 14.2 If within half an hour from the time appointed for a meeting of the directors reconvened following an adjournment pursuant to Article 14.1 and in respect of which notice has been given as provided in Article 14.3, a quorum is not present as provided in Regulation 89 of Table A, the director or directors present at such meeting shall constitute a quorum.
- 14.3 Where a meeting is adjourned under Article 14.1, not less than clear 7 days’ notice of the adjourned meeting shall be given unless the notice requirement is waived by all directors entitled to vote at the meeting.

- 15.1 In its application to the Company, regulation 66 of Table A shall be modified by the deletion of the last sentence.
- 15.2 In its application to the Company, regulation 111 of Table A shall be modified by the deletion of the words "except that a notice calling a meeting of the directors need not be in writing".
- 16 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number. A sole Director shall have authority to exercise all powers and discretions vested in the Directors and, in its application to the Company, Regulation 89 of Table A shall be modified accordingly.
- 17 A Director may vote at a meeting of the Directors, and form part of a quorum present at that meeting, in relation to any matter in which he has, directly or indirectly, an interest or duty which conflicts or which may conflict with the interests of the Company, provided that he has previously disclosed the nature of such duty or interest to the Directors. The provisions of Regulation 86 of Table A shall be taken to apply equally to any disclosure to be made under the provisions of this Article.

EXECUTION OF DOCUMENTS

- 18 In its application to the Company, Regulation 101 of Table A shall be modified by the addition of the following sentence:-

"Any instrument expressed to be executed by the Company and signed by two Directors or one Director and the Secretary by the authority of the Directors or of a committee authorised by the Directors shall (to extent permitted by the Act) have effect as if executed by affixing the seal."

INDEMNITY

- 19 Subject to section 310 of the Act:-
- 19.1 every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation to his office, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or 727 of the Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or otherwise in relation to his office; and
- 19.2 the Company may purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

ELECTRONIC COMMUNICATIONS

- 20 Any Director who participates in the proceedings of a meeting by means of an electronic communication by which all the other Directors present at such

meeting (whether in person or by alternate or by means of electronic communication) may hear at all times such Director and such Director may hear at all times all other Directors present at such meeting (whether in person or by alternate or by means of electronic communication) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.

- 21 In their application to the Company, Regulations 60 and 61 of Table A shall be modified by the addition of the following sentence:-

"The appointment of a proxy may be contained in an electronic communication sent to such address (including any number) as may be notified by or on behalf of the Company for that purpose and may be in such form as the Directors may approve including requirements as to the use of such discrete identifier or provision of such other information by a member so as to verify the identity of such member and as to the authenticity of any electronic signature thereon."

- 22 In its application to the Company, Regulation 62 of Table A shall be modified by the addition of the following sentences:-

"In the event that more than one appointment of a proxy relating to the same share is so delivered or received for the purposes of the same meeting, the appointment last delivered or received (whether in writing or contained in an electronic communication) shall prevail in conferring authority on the person named therein to attend the meeting and vote.

An appointment of proxy contained in an electronic communication found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid."

- 23 In its application to the Company, Regulation 115 of Table A shall be modified by the addition of the following after the words "after the time it was sent" at the end of the third sentence:-

"notwithstanding that the Company is aware of the failure in delivery of such electronic communication. Without prejudice to such deemed delivery, if the Company is aware of the failure in delivery of an electronic communication and has sought to give notice by such means at least three times, it shall send the notice in writing by post within 48 hours of the original attempt".

DRAG ALONG RIGHT

- 24 Where the Controlling Shareholder proposes to transfer shares in the Company, the Controlling Shareholder may give notice in writing to all holders of shares other than:-

24.1 the Controlling Shareholder; and

24.2 the proposed transferee,

(the "Minority Shareholders") requiring them within five business days of the date of the notice to transfer all (but not some only) of their holdings of shares in the Company to the proposed transferee. The transfer shall be on the same terms and conditions as those agreed between the Controlling Shareholder and the proposed transferee, provided that a Minority Shareholder shall not be required to give any warranties or indemnities in the context of the transaction other than

warranties as to title to the shares to be sold by him. Written notice given under this Article 24 shall be accompanied by all documents required to be executed by the relevant Minority Shareholder to give effect to the required transfer.

25 If any Minority Shareholder:-

25.1 Shall fail to transfer shares as required by Article 24, the directors may authorise any individual to execute on behalf of and as attorney for the Minority Shareholder any necessary instruments of transfer and shall register the proposed transferee as the holder of the shares. The Company's receipt of the purchase money shall be a good discharge to the proposed transferee, and the Company shall thereafter hold the same on trust for the Minority Shareholder. After the name of the proposed transferee has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

25.2 Shall fail to execute any other document required to be executed in order to give effect to the provisions of Article 24, the directors may authorise any individual to execute such document(s) on behalf of and as attorney for the Minority Shareholder.