

No. of Company 3660593

THE COMPANIES ACTS 1985 TO 1989

PRIVATE COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

OF

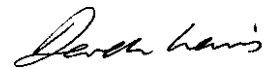
LOMBARD IT VENDOR FINANCE LIMITED

Passed the 30th day of July 1999

The following resolution was duly passed as a Special Resolution by Written Resolution of the members of the above named Company.

SPECIAL RESOLUTION


THAT the regulations contained in the document marked "A" be hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.



Derek Lewis  
Secretary



Company Number: 3660593

  
"A"  
30/7

THE COMPANIES ACT 1985

\_\_\_\_\_  
COMPANY LIMITED BY SHARES  
\_\_\_\_\_

**ARTICLES OF ASSOCIATION**

(As adopted by Special Resolution passed on July 1999)

of

**LOMBARD IT VENDOR FINANCE LIMITED**

1. In these Articles and (where appropriate) in Table A:-

“the Act” means the Companies Act 1985 as from time to time amended or re-enacted;

“Affiliate” as defined in the Shareholders’ Agreement relating to Lombard Network Services Limited dated 31 October 1994;

“Approved Budget” as defined in the Shareholders’ Agreement relating to Lombard Network Services Limited dated 31 October 1994;

“these Articles” means these articles of association as altered from time to time;

“Business” as defined in the Shareholders’ Agreement relating to Lombard Network Services Limited dated 31 October 1994;

“Board of Directors” means the board of directors of the Company;

“the Chairman” means the Chairman of the Board of Directors;

“Directors” means a director of the Company including for the avoidance of doubt any Additional Director appointed pursuant to Article 12;

“Executive Committee” means a committee appointed by the Board consisting of an equal number of ‘A’ Directors and ‘B’ Directors;

“Financial Year” means each period for which the Company is required to produce accounts in accordance with the Act which shall be, unless otherwise agreed in accordance with the Shareholders’ Agreement relating to Lombard Network Services Limited dated 31 October 1994, 1st January to 31st December;

“the Group” means the Company and any Subsidiary from time to time;

“Member” means any person who is registered as a holder of the shares;

“Permitted Investments” as defined in the Shareholders’ Agreement relating to Lombard Network Services Limited dated 31 October 1994;

“Person” as defined in the Shareholders’ Agreement relating to Lombard Network Services Limited dated 31 October 1994;

“Shareholders’ Agreement” means Shareholders’ Agreement relating to Lombard Network Services Limited dated 31 October 1994;

“Subsidiary” means a subsidiary of the Company as defined in Section 736 of the Act;

“Table A” means Table A of the Schedule to the Companies (Tables A to F)

Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 excluding any statutory modifications thereof not in force at the date of adoption of these Articles;

“Transaction Rules and Guidelines” means the rules and guidelines for the conduct of the Business adopted by resolution of the Board (as the same may be amended from time to time by the Board).

2. The regulations contained in Table A shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with the Articles hereinafter contained. Regulations 24, 40 to 43 inclusive, 50, 64 to 69 inclusive, 72 to 84 inclusive, 87 to 89 inclusive, 91, 94, 95, 112, 115, and 118 in Table A shall not apply to the Company.

### **SHARE CAPITAL**

3. The share capital of the Company at the date of the adoption of these Articles is £100 divided into 100 ordinary shares of £1 each (“the Shares”).

### **NUMBER OF MEMBERS**

4. At no time shall there be more than two Members.

### **SHAREHOLDERS' CONSENTS**

5. (i) Without prejudice to any other provision of these Articles and to any other modification or variation of the rights and privileges attaching to the Shares none of the following shall occur unless all of the Members consent in writing:
  - (A) any alteration of these Articles of any act, matter or omission in breach of, or contrary to, the provisions of these Articles;
  - (B) the redemption or purchase by the Company of any shares or the reduction of the share capital, or any uncalled or unpaid liability in respect thereof, share premium account or capital redemption reserve of the Company or the passing of any resolution authorising any of the foregoing;
  - (C) the capitalisation of any undistributed profits of the Company (whether or not the same are available for distribution and including profits standing to any reserve) or any sum standing to the credit of the share premium account or capital redemption reserve of the Company;
  - (D) the creation, issue or paying up of any further shares of the Company or the grant of any option, warrant or right to acquire or call for the issue of, or other rights to or over the same by conversion, subscription or otherwise;
  - (E) the issue by any subsidiary of the Company (other than to the

Company or to another wholly owned subsidiary of the Company) of any shares ranking as regards participation in the assets or profits of that subsidiary in priority to its ordinary share capital or any disposal by the Company or by any subsidiary of the Company of any such shares (otherwise than as aforesaid);

- (F) any distribution, payment or return to shareholders of a capital nature;
- (G) the declaration or payment of any dividend or the making of any distribution out of profits (howsoever realised or created) of the Company;
- (H) the implementation of any compromise or arrangement within the meaning of Section 425 of the Act or any arrangement pursuant to which the Company is to make a distribution of the kind described in Section 213 of the Income and Corporation Taxes Act 1988;
- (I) the issue, paying up, redemption or purchase of any debentures or debenture stock of the Company;
- (J) the transfer or otherwise vesting of any Shares or any interest therein in any person or body;
- (K) the appointment, removal or replacement of any Director of the Company other than pursuant to Articles 12 and 13 and Article 18(A) to (H).

**5. (ii) Matters Requiring Unanimous Shareholder Approval**

The Company shall not undertake or permit any of the following without the prior written consent of all Members or the prior unanimous approval of the 'A' and 'B' Directors at a meeting of the Board duly convened and held in accordance with the Articles:-

**Incurring of Commitments, Liabilities, etc**

- (A) the performance of any individual item of Business involving the sale, lease or other disposition of any asset to a customer where the cost to the Company of the acquisition of any asset concerned exceeds either (i) £250,000 for each transaction or (ii) when that item of Business is taken together with any other item of Business for a particular customer, the aggregate cost of all such Business exceeds £250,000;
- (B) the entry by the Company into, or the modification or termination of, any contract, liability or commitment (other than one covered by paragraph (A) of this sub-clause 5 (ii)) which could involve expenditure or the incurring of any other obligation or commitment of capital by the Company not provided for in the

Approved Budget and exceeds £50,000 in aggregate in the relevant Financial Year;

- (C) the entry by the Company into, or modification or any real property lease or other agreement relating to real property;
- (D) the creation or giving of, or the modification or termination of, any guarantee, indemnity, surety, mortgage, lien (other than a lien arising by operation of law), charge, encumbrance or other security interest of any nature whatsoever in respect of all or any part of the undertaking, property or assets of the Company or the acceptance by the Company of any such arrangement for its benefit except where the guarantee, indemnity, surety, mortgage, lien, charge, encumbrance or other security interest relates to matters covered by the Approved Budget;
- (E) the creation by the Company of any borrowing or other indebtedness or obligation in the nature of borrowing or facility therefor (including, without limitation, obligations pursuant to any debenture, bond, note, loan stock or other security of the Company and obligations pursuant to equipment leases or real property leases) in excess of an aggregate sum of £50,000 except as provided for in the Approved Budget for the relevant Financial Year, or any material amendment or variation to the terms of any borrowing or other indebtedness of the Company;
- (F) any sale or other disposition of any assets of the Company (not in the ordinary course of the Business) not provided for in the Approved Budget for consideration which individually or in the aggregate exceeds £50,000 in any Financial Year;
- (G) the creation or acquisition of any subsidiary or other Affiliate or associated company by, or the merger or amalgamation of, the Company with any other Person;

#### **Manner of Carrying on Business**

- (H) the entry by the Company into any partnership, joint venture or other profit sharing agreement;
- (I) any material change in the nature of the Business or in the organisation of the Company or the manner in which it carries on Business;
- (J) subject to clause 11 of the Shareholders' Agreement, the cessation by the Company of the Business or the carrying on of the Business on any materially reduced scale;
- (K) adoption of the Approved Budget for each Financial Year and of any revisions to such Approved Budget where the aggregate adjustment in such Approved Budget is greater than 10 per cent

of the first Approved Budget in such Financial Year (or any subsequent Approved Budget following an approval by the Members under this paragraph (K), as the case may be);

- (L) the making of any advance, loan, investment, deposit or withdrawal of money by the Company not in the ordinary course of the Business or, in the case of investments or deposits, not Permitted Investments;
- (M) the initiation, conduct, settlement or abandoning of any litigation involving the Company or any admission of liability by or on behalf of the Company (except in any case in relation to debt collection in the ordinary course of the Business) for a total aggregate amount of £25,000 in respect of all such claims in any Financial Year, or the write off or reduction of any debt arising in the ordinary course of Business exceeding £10,000 in aggregate for any particular customer;
- (N) subject to clause 11 of the Shareholders' Agreement, any proposal for any voluntary arrangement relating to or the winding-up or liquidation of the Company;
- (O) the recommendation of or proposals for any payment of any dividend or any other distribution in cash or in kind of the Company;
- (P) the creation or amendment of any bonus scheme, profit sharing scheme or employee share scheme and to the extent not delegated to the Executive Committee as part of its business the making of any contract of employment or consultancy or similar agreement or the amendment thereof;

#### **Pensions**

- (Q) the adoption of, or participation by the Company in, any pension scheme;

#### **Transaction Rules and Guidelines**

- (R) any variation or amendment of the Transaction Rules and Guidelines;
- (S) any other steps or actions and/or omissions calculated or likely, in the reasonable opinion of Members, to effect, by whatever means, any of the items or matters listed in (A) to (R) above.  
Provided always that none of paragraphs (A) to (S) above shall apply in relation to the entry into, modification or termination or performance of any Business properly authorised by the Board or otherwise under the Transaction Rules and Guidelines.

#### **ISSUE AND TRANSFER OF SHARES**

6. (A) No shares in the Company shall be allotted on terms that the right to the same may be renounced by the allottee.
- (B) The provision of Sections 89(1), 90(1) to (5) and 90(6) of the Act shall not apply to the Company.
- (C) The Directors shall only register the transfer of any Shares if such transfer has been approved by the Members pursuant to Article 5.

#### **LIEN**

7. In Regulation 8 of Table A the words “(not being a fully paid share)” shall be omitted. The lien conferred by Regulation 8 of Table A shall attach to all shares registered in the name of any Member indebted or under liability to the Company.

#### **VARIATION OF RIGHTS**

8. All or any of the special rights or privileges for the time being attached to any shares in the capital of the Company (notwithstanding that the Company may be or be about to be in liquidation) may with the prior consent in writing of the holder of such shares (but not otherwise) be varied or abrogated.

#### **PROCEEDINGS AT GENERAL MEETINGS**

9. No business shall be transacted at any general meeting unless all of the Members are present at the time when the meeting proceeds to business and throughout the meeting either by person or by proxy. For this purpose, a Member shall be deemed to be personally present if represented in accordance with Section 375 of the Act. If within half an hour from the time appointed for the meeting all the Members are not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the chairman of the meeting may determine, and the same provisions as to quorum shall apply at such adjourned meeting.
10. The Chairman of the Board of Directors shall preside as chairman at every general meeting of the Company or, if the Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if he is not willing to act, any ‘B’ Director present may preside as chairman. If no Director is present the Members shall elect one of their number to be a chairman. The chairman shall have a second or casting vote.
11. Any resolution in writing as is referred to in Regulation 53 of Table A may consist of several documents in the like form each signed by the Members (or their duly authorised representatives) in that regulation referred to. For this purpose, a director or the secretary or other officer of a Member shall be deemed to be a duly authorised representative.

#### **DIRECTORS**



12. The maximum number of Directors shall be 7 and the minimum number shall be not less than two. The Members shall be entitled to appoint Directors and designate up to three such Directors as 'A' Directors, up to three such Directors as 'B' Directors, and one 'C' Director. The Members may together appoint one additional Director ("the Additional Director").
13. The right to appoint and designate a Director pursuant to Article 12 shall be by written notice signed by or on behalf of the Members served on the Company, who may by like notice at any time remove or replace that person with another person.
14. The Directors shall not be liable to retire by rotation.
15. Any Director may from time to time appoint any other Director or any other person to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office, and appoint another person in his place. Any appointment of an alternate Director may provide for two or more persons in the alternative to act as an alternate Director. An alternate Director shall be entitled to attend and vote as a Director at any meeting of Directors at which the Director appointing him is not personally present, and generally to perform all functions of his appointor as a Director in the absence of such appointor, including without prejudice to the generality of the foregoing power to sign any resolution pursuant to Article 25 of these Articles. An alternate Director shall be deemed to be an officer of the Company and shall alone be responsible for his own acts and defaults and the Directors so appointing him shall not be responsible for the acts and defaults of an alternate Director so appointed. An alternate Director shall ipso facto cease to be an alternate Director if his appointer ceases for any reason to be a Director. Any such appointment or removal shall be in writing served on the Company and signed by the Director making the same and shall take effect upon lodgement at the registered office of the Company. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such part (if any) of the last mentioned remuneration as may be agreed between the alternate Director and the Director appointing him.
16. A Director and alternate Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company.
17. Subject to obtaining such consents and authorities as are required by these Articles the business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in general meeting.

#### **DISQUALIFICATION OF DIRECTORS**

18. Without prejudice to Article 12 of these Articles, the office of a Director shall be vacated:-
  - (A) if by notice in writing to the Company he resigns the office of

12. The maximum number of Directors shall be 7 and the minimum number shall be not less than two. The Members shall be entitled to appoint Directors and designate up to three such Directors as 'A' Directors, up to three such Directors as 'B' Directors, and one 'C' Director. The Members may together appoint one additional Director ("the Additional Director").
13. The right to appoint and designate a Director pursuant to Article 12 shall be by written notice signed by or on behalf of the Members served on the Company, who may by like notice at any time remove or replace that person with another person.
14. The Directors shall not be liable to retire by rotation.
15. Any Director may from time to time appoint any other Director or any other person to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office, and appoint another person in his place. Any appointment of an alternate Director may provide for two or more persons in the alternative to act as an alternate Director. An alternate Director shall be entitled to attend and vote as a Director at any meeting of Directors at which the Director appointing him is not personally present, and generally to perform all functions of his appointor as a Director in the absence of such appointor, including without prejudice to the generality of the foregoing power to sign any resolution pursuant to Article 25 of these Articles. An alternate Director shall be deemed to be an officer of the Company and shall alone be responsible for his own acts and defaults and the Directors so appointing him shall not be responsible for the acts and defaults of an alternate Director so appointed. An alternate Director shall ipso facto cease to be an alternate Director if his appointer ceases for any reason to be a Director. Any such appointment or removal shall be in writing served on the Company and signed by the Director making the same and shall take effect upon lodgement at the registered office of the Company. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such part (if any) of the last mentioned remuneration as may be agreed between the alternate Director and the Director appointing him.
16. A Director and alternate Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company.
17. Subject to obtaining such consents and authorities as are required by these Articles the business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in general meeting.

#### **DISQUALIFICATION OF DIRECTORS**

18. Without prejudice to Article 12 of these Articles, the office of a Director shall be vacated:-
  - (A) if by notice in writing to the Company he resigns the office of

Director;

- (B) if he shall for more than 6 months have been absent without permission of the Directors from meetings of the Directors held during that period, unless he shall have appointed an alternate Director who has not been similarly absent during such period;
- (C) if he becomes bankrupt or enters into any arrangement with his creditors;
- (D) if he has an order made against him under S.6 of the Company Directors Disqualification Act 1986;
- (E) if he is prohibited from being a Director by an order made under any provision of the Act;
- (F) if he becomes of unsound mind;
- (G) if he is removed by virtue of any provision of the Act;
- (H) if he is removed by virtue of the provisions of Article 13.

#### **PROCEEDINGS OF DIRECTORS**

- 19. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Where possible 14 days notice of board meetings will be given to each Director at such address as they shall respectively notify to the Secretary of the Company from time to time. Each notice will be accompanied by an agenda and (where possible) all necessary supporting documents.
- 20. The quorum necessary for a meeting of the Directors shall be one 'A' Director and one 'B' Director present throughout the meeting.
- 21. There shall be a Chairman of the Board of Directors who shall be a 'B' Director appointed and replaced by written notice given by or on behalf of the Members in the manner prescribed in Article 13.
- 22. All decisions and resolutions of the Board of Directors shall be made or passed by vote of the 'A' and 'B' Directors present and voting at such meeting. The Chairman shall not have a second or casting vote. Any 'A' Director or Directors or any 'B' Director or Directors (which expression shall include an alternate Director) present at any meeting of the Directors shall be entitled, whatever their number, to exercise the votes of all 'A' or 'B' Directors as appropriate whether present or not. Any 'C' Director shall not be entitled to vote at a meeting of the Board of Directors.
- 23. The Board of Directors may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit, provided that the majority of the members of the committee are

Directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are Directors. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegate, conform to any regulations which may be imposed on it by the Board. The meetings and proceedings of any such committee shall be governed by the provisions in these Articles for regulating the meetings and proceedings of the Board of Directors so far as the same are applicable and are not superseded by any regulations imposed by the Board of Directors.

24. All or any of the members of the Board of Directors or any committee of the Board of Directors may participate in a meeting of the Board of Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting then is.
25. Provided there shall be at least one 'A' Director and one 'B' Director in office, a resolution in writing signed by all the Directors (other than the 'C' Director) or their respective alternates shall be as effective for all purposes as a resolution passed at a meeting of the board of Directors duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors.

#### **CAPITALISATION OF PROFITS AND RESERVES**

26. Without prejudice to any other provision of these Articles, the Company in general meeting may on the recommendation of the Directors and subject to the proviso hereinafter contained resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any of the Company's reserve accounts (including any revaluation reserve) or profit and loss or share premium account or any other amount which is available for distribution and is not required for payment of dividend on any shares carrying a preference right to dividend and accordingly to set free such sums for distribution among the Members in proportion to the numbers of shares of whatever class held by them respectively, on condition that the same be not paid in cash but be applied either in or towards paying up any amount for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and among such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution provided that a share premium account or a capital redemption reserve and any reserve or profit and loss account which is not available for distribution may, for the purposes of this Article, only be applied in paying up in full unissued shares to be allotted to Members as fully paid bonus shares.

### **NOTICES**

27. (A) It shall be necessary to give notice of any meeting of the Directors to all Directors and alternate Directors including those absent for the time being from the United Kingdom. For the purposes of this Article, each Director and alternate Director shall provide details of an address at which he may be served with such notice failing which any such notice shall be served at the registered office of the Company. Where those details provided allow, notices may be given by facsimile, telex, cable or telegram and shall be deemed to be served in the case of facsimile or telex when received and in the case of cable or telegram 24 hours after despatch.
- (B) In addition to the persons specified in Regulation 38 of Table A every alternate Director shall be entitled to receive notices of general meetings.

### **INDEMNITY**

28. Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 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 in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by Section 310 of the Act.