

5210244

EXECUTION COPY

| September 2004

SHARE EXCHANGE AGREEMENT

between

THE BEAR STEARNS COMPANIES INC

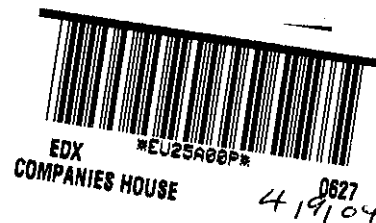
as the Transferor

ROOFTOP HOLDINGS LIMITED

and

BEAR UK MORTGAGES LIMITED

as the Transferee



WEIL, GOTSHAL & MANGES

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THIS AGREEMENT is made by way of **DEED** on 1 September 2004 between the following parties:

- (1) **THE BEAR STEARNS COMPANIES INC**, a company incorporated in Delaware whose address is at 383 Madison Avenue, New York, New York 10179 (the "**Transferor**");
- (2) **ROOFTOP HOLDINGS LIMITED**, a company incorporated in England & Wales (registered number 5210277) whose registered office is at 26 Farringdon Street, London EC4A 4AB (the "**Company**"); and
- (3) **BEAR UK MORTGAGES LIMITED**, a company incorporated in England & Wales (registered number 5210244) whose registered office is at One Canada Square, London E14 5AD (the "**Transferee**").

WHEREAS

- (A) The Transferor is the sole legal and beneficial owner of the Company Shares (as defined below).
- (B) The Transferor has agreed to transfer to the Transferee the Company Shares for the consideration and upon the terms set out in this Agreement.

IT IS AGREED as follows:

1 INTERPRETATION

1.1 In this Agreement, the following expressions shall have the following meanings:

"Act"	the Companies Act 1985 (as amended);
"Articles"	the articles of association of the Company;
"Company Shares"	80 fully paid shares of £1 in nominal value in the capital of the Company comprising the whole of the allotted and issued share capital of the Company;
"Completion"	completion of the transfer of the Company Shares in accordance with this Agreement;
"Condition"	the condition set out in Clause 2.1;
"Consideration Shares"	99 Ordinary Shares of £1 each in nominal value in the capital of the Transferee to be issued credited as fully paid up as to nominal value to the Transferor;
"Encumbrance"	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind,

or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) or any right to a dividend payment arising on any shares; and

1.2 In this Agreement:

- 1.2.1** references to a “**person**” include an individual, body corporate (wherever incorporated), unincorporated association, trust or partnership (whether or not having separate legal personality), government, state or agency of a state, or two or more of the foregoing;
- 1.2.2** references to a Clause are to a clause of this Agreement, and references to this Agreement include the schedules;
- 1.2.3** the headings in this Agreement do not affect its construction or interpretation;
- 1.2.4** references to a statute or a statutory provision are to include references to such statute or provision as amended or re-enacted whether before or after the date of this Agreement (but not any amendment after the date of this Agreement to the extent that its effect would be to increase the liability of any party under this Agreement) and include all subordinate legislation made under the relevant statute whether before or after the date of this Agreement;
- 1.2.5** a reference to a document is a reference to that document as amended or modified from time to time in writing by the mutual consent of the parties; and
- 1.2.6** the singular includes the plural and vice versa and any gender includes any other gender.

2 CONDITIONS

- 2.1** Completion is conditional upon the Transferee having all requisite authorities (including sufficient authorised and unissued share capital and sufficient authorities pursuant to sections 80 and 89 of the Act) to allot and issue the Consideration Shares to the Transferor in accordance with this Agreement;
- 2.2** The Transferee shall use reasonable endeavours to procure the satisfaction of the Condition detailed in Clause 2.1.

3 SHARE EXCHANGE

- 3.1** Subject to the fulfilment of the Condition in accordance with Clause 2.1 and in accordance with the provisions of this Agreement, the Transferor agrees to transfer to the Transferee with full title guarantee and free from any Encumbrance the Company Shares together with all rights attaching or accruing to the Company Shares on or after the date of Completion.

4 CONSIDERATION

- 4.1 The consideration for the transfer of the Company Shares shall be the allotment and issue of the Consideration Shares credited as paid up as to nominal value. Each Consideration Share shall rank *pari passu* in all respects with all other shares of the same class comprised in the share capital of the Transferee in issue at Completion.
- 4.2 On issue of the Consideration Shares, the Transferor agrees to be bound by and adhere to the articles of association of the Transferee.

5 COMPLETION

- 5.1 Subject to fulfilment of the Condition in accordance with Clause 2.1, Completion shall take place as soon as practicable on or immediately following the signature of this Agreement by all the parties hereto.
- 5.2 At Completion the Transferor shall deliver to the Transferee a duly executed transfer of the Company Shares in favour of the Transferee together with the relevant share certificate (or an indemnity in a form approved by the Transferee in relation to a lost share certificate) in respect of the Company Shares.
- 5.3 On or prior to Completion the directors of the Company shall hold a board meeting at which the transfer of the Company Shares (subject to stamping) to the Transferee is approved for registration in the Company's books and thereupon a share certificate issued in favour of the Transferee.
- 5.4 At Completion the Transferee shall deliver to the Transferor, a share certificate for the Consideration Shares.
- 5.5 The Transferee shall not be obliged to complete this Agreement until the Transferor complies fully with the requirements of Clause 5.2 and the board meeting referred to at Clause 5.3 has been duly held.

6 POWER OF ATTORNEY

- 6.1 With effect from Completion, the Transferor, irrevocably and unconditionally appoints the Transferee as its lawful attorney, with full power pending registration of the Transferee as the legal holder of the Company Shares to exercise all rights of ownership which are capable of exercise by the Transferor in the capacity of a registered holder of Company Shares including (but not limited to):
- 6.1.1 receiving notice of, attending and voting at any general meeting of the shareholders of the Company, or signing any resolution as holder of the Company Shares;
- 6.1.2 the right to nominate proxies on behalf of the Transferor, the right to consent to short notice and any other documents required to be signed by the holder of the Company Shares;
- 6.1.3 to receive any dividend or other distribution made in respect of the Company Shares; and

6.1.4 otherwise to execute and deliver all deeds or instruments and doing all acts in the Transferor's name insofar as may be done in the capacity of a registered holder of the Company Shares,

in each case as the Transferee in its absolute discretion sees fit.

6.2 As from Completion, the Transferor undertakes not to exercise any rights attaching to the Company Shares or exercisable in the capacity as a registered holder thereof without the Transferee's prior written consent.

6.3 As from Completion, the Transferor undertakes to hold on trust for the Transferee and to promptly notify the Transferee of anything received by it in its capacity as registered holder of the Company Shares, and to act promptly in accordance with the Transferee's instructions in relation to any such thing.

6.4 As from Completion, the Transferor undertakes to ratify whatever the Transferee lawfully does or lawfully causes to be done under the authority or purported authority of this power of attorney.

6.5 This power is given to secure the proprietary interest of the Transferee in the Company Shares with effect as from Completion. This power shall terminate (without prejudice to anything done by the Transferee as attorney pursuant to it before termination) on the date on which the Transferee is entered in the register of members of the Company as the legal holder(s) of the Company Shares.

7 ASSIGNMENT

No party shall assign or transfer or purport to assign or transfer any of its rights or obligations under this Agreement without the prior consent of each other party.

8 NOTICES

8.1 Any notice or other communications under or in connection with this Agreement shall be in writing and shall be delivered personally or sent by first class post, pre-paid recorded delivery (and air mail if overseas) or by telefax, to the party due to receive the notice or communication, to its registered office.

8.2 In the absence of evidence of earlier receipt, any notice or other communications shall be deemed to have been duly given:

8.2.1 if delivered personally, when left at the address referred to in Clause 8.1;

8.2.2 if sent by mail other than air mail, two days after posting it;

8.2.3 if sent by air mail, five days after posting it; and

8.2.4 if sent by telefax, on completion of its transmission.

9 FURTHER ASSURANCE

At any time (whether before or after Completion) each party shall do and execute, or procure to be done and executed, all necessary acts, deeds, documents and things as may be reasonably requested of it by the other party to give effect to this Agreement.

10 COSTS

Save as otherwise expressly stated in this Agreement, each party shall pay its own costs in connection with the negotiation, preparation and implementation of this Agreement and all agreements ancillary to it.

11 RIGHTS OF THIRD PARTIES

A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

12 GOVERNING LAW AND JURISDICTION

12.1 This Agreement shall be governed by and construed in accordance with the laws of England.


12.2 Each Party irrevocably agrees that the courts of England have exclusive jurisdiction to decide and to settle any dispute or claim arising out of this Agreement.

13 COUNTERPARTS

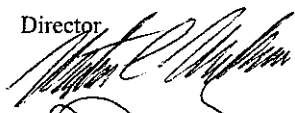
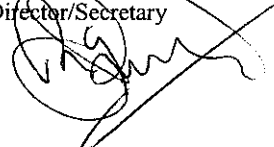
This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all the counterparts together shall constitute one and the same instrument. No counterpart shall be effective until each party has executed at least one counterpart.

AS WITNESS the parties have executed and delivered this Agreement by way of DEED on the day and year first above written.


EXECUTED and DELIVERED
by way of DEED
for and on behalf of
THE BEAR STEARNS COMPANIES INC

)
) Director *under power of attorney*
) 
)
) Director/Secretary *Mike Delaney (Witness)*
) *58A Elmwood Road*
) *Herne Hill, London*

EXECUTED and DELIVERED
by way of DEED
for and on behalf of
BEAR UK MORTGAGES LIMITED

)
) Director 
)
) Director/Secretary 

EXECUTED and DELIVERED
by way of DEED
for and on behalf of
ROOFTOP HOLDINGS LIMITED

)
) Director 
)
) Director/Secretary 