

Company number 06968588

SPECIAL RESOLUTION

OF

Funding Circle Limited (**Company**)

Passed on 12 February 2010

The following resolution was duly passed as a special resolution on 12 February 2010 by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006

A copy of the resolution is attached

SPECIAL RESOLUTION

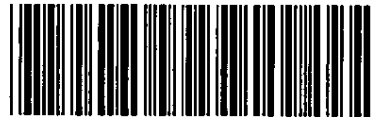
THAT the draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

Signed

Director


Samir Desai

TUESDAY



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COMPANIES HOUSE

Company number 07123934

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

FUNDING CIRCLE HOLDINGS LIMITED (**Company**)

12 February 2010

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution is passed as a special resolution (**Special Resolution**)

SPECIAL RESOLUTION

THAT the draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Special Resolution

The undersigned, a person entitled to vote on the Special Resolution on 12 February 2010, hereby irrevocably agrees to the Special Resolution

Signed

Name

Date

NOTES

1 If you agree with the Special Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- **By Hand** delivering the signed copy to Tina Rana, Corren Troen, 35 Catherine Place, London SW1E 6DY

- **Post** returning the signed copy by post to Tina Rana, Corren Troen, 35 Catherine Place, London, SW1E 6DY
- **Fax** faxing the signed copy to 020 7592 8901 marked "For the attention of Tina Rana"
- **E-mail** by attaching a scanned copy of the signed document to an e-mail and sending it to tr@correntroen.com Please enter "Written resolutions dated 12 February 2010" in the e-mail subject box

If you do not agree to the Special Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply

2 Once you have indicated your agreement to the Special Resolution, you may not revoke your agreement

3 Unless, by 26 February 2010, sufficient agreement has been received for the Special Resolution to pass, it will lapse If you agree to the Special Resolution, please ensure that your agreement reaches us before or during this date

4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company Seniority is determined by the order in which the names of the joint holders appear in the register of members

5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

6968588

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
FUNDING CIRCLE LIMITED

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

Act: means the Companies Act 2006,

appointor: has the meaning given in article 10 1,

Articles: means the company's articles of association for the time being in force,

business day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

Conflict: has the meaning given in article 6 1,

eligible director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter), and

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions given particular meanings in the Model Articles have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions given particular meanings in the Act have the same meanings in these Articles
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms **"including", "include", "in particular"** or any similar expression shall be construed as illustrative and not limit the sense of the words preceding those terms
- 1 7 The Model Articles apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 8 Articles 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company
- 1 9 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"
- 1 10 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 9," after the word "But"
- 1 11 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"

- 1 12 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"

DIRECTORS

2. UNANIMOUS DECISIONS

- 2 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 2 2 That decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing
- 2 3 A decision may not be taken under this article if the eligible directors would not have formed a quorum at a meeting of directors

3. QUORUM FOR DIRECTORS' MEETINGS AND DECISIONS TAKEN BY DIRECTORS

- 3 1 Subject to article 3 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors
- 3 2 For the purposes of any meeting (or part of a meeting) held under article 6 to authorise a director's conflict, the quorum for that meeting (or part of a meeting) shall be two eligible directors and the conflicted director shall not count towards the quorum
- 3 3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision
- (a) to appoint further directors, or
 - (b) to call a general meeting for the shareholders to appoint further directors

4. DIRECTORS' DECISIONS AND CASTING VOTE

- 4 1 In respect of any decisions of the Board taken by a majority decision at a meeting, should all Founder Directors vote in the same direction, only two Founder Director votes shall count towards any such majority decision

- 4 2 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote
- 4 3 Article 4 2 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting)

5. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in compliance with the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of that contract or proposed contract in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of that contract or proposed contract in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested, and
- (f) shall not, unless he agrees otherwise, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from that contract, transaction or arrangement or from that office or employment or from any interest in that body corporate and that contract, transaction or arrangement shall not be liable to be avoided on the grounds of that interest or benefit nor shall the receipt of that remuneration or other benefit constitute a breach of his duty under section 176 of the Act

6. DIRECTORS' CONFLICTS OF INTEREST

- 6 1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)
- 6 2 Any authorisation under this article 6 will be effective only if
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in any other manner as the directors may determine,
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 6 3 Any authorisation of a Conflict under this article 6 may (whether at the time of giving the authorisation or subsequently)
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
 - (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors vote in relation to any resolution related to the Conflict,
 - (d) impose upon the Interested Director any other terms for the purposes of dealing with the Conflict as the directors think fit,
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and

be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to those matters

- 6 4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict
- 6 5 The directors may revoke or vary that authorisation at any time, but this will not affect anything done by the Interested Director, prior to that revocation or variation, in accordance with the terms of that authorisation
- 6 6 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to
- (a) disclose that information to the directors or to any director or other officer or employee of the company, or
 - (b) use or apply that information in performing his duties as a director,

where to do so would amount to a breach of that confidence

- 6 7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on those grounds

7. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, those decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

8. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be less than two or more than five

9. APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

10. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

10 1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

10 2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors

10 3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

11. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

11 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

11 2 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

11 3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of articles 11 3(a) and (b)

11 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

11 5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except that part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

12. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

13. SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think

fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

DECISION MAKING BY SHAREHOLDERS

14. POLL VOTES

14 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

14 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

15. PROXIES

15 1 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article

ADMINISTRATIVE ARRANGEMENTS

16. MEANS OF COMMUNICATION TO BE USED

16 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted,
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- (c) if properly addressed and sent or supplied by electronic means (including email), one hour after the document or information was sent or supplied, or
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article, no account shall be taken of any part of a day that is not a working day

- 16 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

17. INDEMNITY

- 17 1 Subject to article 17 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

- (i) in the actual or purported execution and/or discharge of his duties, or in relation to them, and

- (ii) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 17(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

- 17 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

- 17 3 In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or

associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

18. INSURANCE

18 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

18 2 In this article

- (a) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate