

DATED 6 January 2000

SC 200851

Britannic plc (1)

- and -

Britannia Asset Management Limited (2)

- and -

Britannic Asset Management Limited (3)

- and -

Britannia Building Society (4)

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**AGREEMENT**

- relating to -  
the sale and purchase of the entire issued share capital  
of Britannic Investment Managers Limited and  
Britannic Fund Managers Limited

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Lovells  
65 Holborn Viaduct  
London EC1A 2DY

A3/DR/CSR/JTY,

**WE HEREBY CERTIFY THAT THIS IS  
A TRUE COPY OF THE ORIGINAL**

**LOVELLS  
65 HOLBORN VIADUCT  
LONDON EC1A 2DY**



A TRUE COPY OF THE ORIGINAL  
WE HEREBY CERTIFY THAT THIS IS

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LOVELL  
COUNTY CLERK  
JAN 11 1900

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# SHARE PURCHASE AGREEMENT



ADJ ex

THIS AGREEMENT is made the 6<sup>TH</sup> day of January 2000

PLEASE RB

8/2.

## BETWEEN:

- (1) **Britannic plc** a company incorporated in England and Wales under number 3002 whose registered office is at 1 Wythall Green Way, Wythall, Birmingham B47 6WG ("Britannic");
- (2) **Britannia Asset Management Limited** a company incorporated in Scotland under number SC180624 whose registered office is at Britannia Court, 50 Bothwell Street, Glasgow, G2 6HR ("BAM") (together with Britannic, the "Vendors");
- (3) **Britannic Asset Management Limited** a company registered in Scotland under number SC200801 whose registered office is at Britannia Court, 50 Bothwell Street, Glasgow G2 6HR (the "Purchaser"); and
- (4) **Britannia Building Society** a building society registered under the Building Societies Act 1986 (registered no. 322B) whose head office is at Britannia House, Cheadle Road, Leek, Staffordshire ST13 5RG (the "Building Society").

## RECITALS:

- (A) At the date hereof BIM (as defined in clause 1.1 below) has an authorised share capital of £999,900 divided into 9,999,000 ordinary shares of 10p each of which 5,801,000 ordinary shares of 10p each have been allotted and issued and are fully paid and BFM (as defined in clause 1.1 below) has an authorised share capital of £5 million divided into 5 million ordinary shares of £1 of which 1,307,600 ordinary shares of £1 each have been allotted and issued and are fully paid.
- (B) The Vendors are the beneficial owners and registered holders of those numbers of Shares (as defined in clause 1.1 below) set opposite their respective names in column 2 of the Schedule.

- (C) The Vendors have agreed to sell and the Purchaser has agreed to purchase all the Shares on and subject to the terms of this Agreement.

**IT IS AGREED:**

**1. Interpretation**

- 1.1 In this Agreement (including its Recitals), the following words and expressions have the meanings respectively set opposite them:

"BIM"	Britannic Investment Managers Limited, a company registered in Scotland under number SC101825 whose registered office is at Britannia Court, 50 Bothwell Street, Glasgow G2 6HR;
"BFM"	Britannic Fund Managers Limited, a company registered in Scotland under number SC085610 whose registered office is at Britannia Court, 50 Bothwell Street, Glasgow G2 6HR;
"Britannic's Solicitors"	Lovell White Durrant of 65 Holborn Viaduct, London EC1A 2DY;
"Completion"	completion of the sale and purchase of the Shares pursuant to this Agreement in accordance with its terms;
"Completion Date"	the date of this Agreement;
"Consideration Shares"	as defined in clause 3.1;
"BIM Shares"	the entire issued share capital of BIM as set out in Recital (A);
"BFM Shares"	the entire issued share capital of BFM as set out in Recital (A);
"Dividends"	as defined in clause 2;

"Existing Shareholders' Agreement"	the shareholders' agreement dated 6 December 1999 between the Vendors and the Building Society relating to the operation of BIM and BFM;
"New Shareholders' Agreement"	the agreement in the agreed form between the Vendors and the Building Society relating to the operation of the Purchaser; and
"Shares"	the BIM Shares and BFM Shares.

1.2 In this Agreement, unless the context otherwise requires:

- (a) references to the one gender include all genders, and references to the singular include the plural and vice versa;
- (b) headings are inserted for convenience only and shall be ignored in construing this Agreement; and
- (c) the word "company" has the meaning given to it by the Companies Act 1985 as amended by the Companies Act 1989.

1.3 The Recitals and the Schedule form part of this Agreement.

**2. Sale and purchase of the Shares**

On and subject to the terms of this Agreement, the Vendors shall sell the Shares with full title guarantee and the Purchaser shall purchase all the Shares on and with effect from Completion free from all charges, liens, equities, encumbrances, claims or restrictions whatsoever and together with all rights which are now, or at any time hereafter may become, attached to them including without limitation the right to receive all dividends and distributions declared, made or paid on or after Completion except in respect of the Shares previously purchased by Britannic from BAM pursuant to the agreement for the sale and purchase of 75% of BIM and BFM dated 1 September 1999 between BAM, Britannic plc and the Building Society (as amended by a letter of variation dated 6 December 1999) the right to receive dividends which BIM and BFM shall declare in favour of the Building Society in an amount equal to the

increase in the aggregate distributable profits of BIM and BFM for the period from and including 1 July 1999 to and including 6 December 1999 (the "Dividends").

**3. Consideration**

- 3.1 The consideration for the sale of the Shares shall be the allotment and issue by the Purchaser to Britannic and to BAM following Completion of that number and class of shares in the capital of the Purchaser set against the names of Britannic and BAM in column 3 in the Schedule fully paid (the "Consideration Shares").
- 3.2 The Consideration Shares shall rank pari passu in all respects with the existing issued ordinary Share of £1 in the capital of the Purchaser.

**4. Completion**

- 4.1 Completion shall take place at the office of Britannic's solicitors on the Completion Date.
- 4.2 At Completion the Vendors shall cause to be delivered to the Purchasers duly executed transfers of all the Shares by each Vendor in favour of the Purchaser together with the share certificates relating to the Shares.
- 4.3 Immediately following satisfaction of the Vendors' obligations under clause 4.2, the Vendors and the Building Society shall execute the New Shareholders' Agreement.
- 4.4 The Vendors and the Building Society hereby agree that the Existing Shareholders' Agreement shall terminate on execution of the New Shareholders' Agreement in accordance with clause 14.1 of the Existing Shareholders' Agreement.
- 4.5 Immediately following satisfaction of the obligations of the Vendors and the Building Society under clauses 4.2 and 4.3, the Vendors shall cause meetings of the board of directors of BIM and BFM to be duly convened and held at which the transfers of the Shares referred to in clause 2 shall be approved for registration (subject only to the transfers being duly stamped at the cost of the Purchaser or the transfers being adjudicated for stamp duty purposes).
- 4.6 Immediately following satisfaction of the Vendors' obligations under clauses 4.2 and 4.5, the Purchaser shall cause a meeting of its board of directors to be duly convened and held at

which the Consideration Shares shall be allotted to the Vendors and the Vendors shall be registered as the holder of the Consideration Shares in the Purchaser's Register of Members.

- 4.7 Until such time as the Purchaser shall be registered as holder of the Shares in the Register of Members of the Company the Vendors shall account to the Purchaser for all dividends and other distributions (excluding the Dividends) made by BIM and BFM in respect of the Shares received by the Vendors after Completion and shall exercise the voting power and all other rights and powers vested in the Vendors as the registered holder of the Shares in such manner as the Purchaser may from time to time direct and not otherwise.
- 4.8 On Completion and in accordance with the New Shareholders' Agreement the following directors of BIM and BFM shall be appointed:
- (a) Brian Quinn and Sir Gavin Laird shall be appointed as the Independent Non-Executive Directors (as defined in the New Shareholders' Agreement);
  - (b) Trevor Bayley shall be appointed as the BAM Director (as defined in the New Shareholders' Agreement);
  - (c) Marisa Cassoni and Harold Cottam shall be appointed as the Britannic Directors (as defined in the New Shareholders' Agreement);
  - (d) Douglas Ferrans, Leslie McIntosh, Margaret McLaren, Andrea McNee, Daniel O'Neil, Peter Reid and David Sutherland shall be appointed as the Executive Directors (as defined in the New Shareholders' Agreement); and
  - (e) Harold Cottam shall be appointed as Chairman (as defined in the New Shareholders' Agreement).

**5. Further assurance**

The Vendors shall execute and deliver all such instruments and other documents and take all such actions as the Purchaser may from time to time reasonably require in order to give full effect to the provisions of this Agreement.



6. **Entire agreement**

This Agreement (together with any documents referred to herein) contains the entire agreement and understanding of the parties and supersedes all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter of this Agreement.

7. **Counterparts**

This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be taken to constitute one and the same instrument.

8. **Governing law and jurisdiction**

8.1 This Agreement (together with all documents to be entered into pursuant to it which are not expressed to be governed by another law) shall be governed by, construed and take effect in accordance with English law.

8.2 Each of the parties hereto submits to the non-exclusive jurisdiction of the High Court of England.

**THE SCHEDULE**

<b>Vendor Name</b>	<b>Number and Class of Shares to be sold</b>	<b>Number and class of Consideration Shares to be received</b>
Britannic	4,350,750 BIM Shares 980,700 BFM Shares	749 ordinary shares
BAM	1,450,250 BIM Shares 326,900 BFM Shares	250 ordinary shares

AS WITNESS the hands of the parties or their duly authorised representatives the day and year first above written.

Signed by )  
for and on behalf of )  
**Britannic plc** )

Signed by )  
for and on behalf of )  
**Britannia Asset Management Limited** )



Signed by )  
for and on behalf of )  
**Britannia Asset Management Limited** )

Signed by )  
for and on behalf of )  
**Britannia Building Society** )

