

Form 604

Corporations Act 2001

Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Lihir Gold Ltd
ACN/ARSN ACN ARBN 069 803 998

1. Details of substantial holder (1)

Name Credit Suisse Holdings (Australia) Limited (on behalf of Credit Suisse AG and its affiliates)

ACN/ARSN (if applicable) 008 496 713

There was a change in the interests of the substantial holder on 26-Aug-2010

The previous notice was given to the company on 26-Aug-2010

The previous notice was dated 26-Aug-2010

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous Notice		Present Notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Common Stock	163,754,696	6.91%	196,893,924	8.31%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
See Annexure "A"					

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
See Annexure "B"					

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
See Annexure "C"	

Signature

print name Sarah Culham capacity Company Secretary
sign here date 30-Aug-2010



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Annexure "A"

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
25-Aug-2010	Credit Suisse Securities (Canada) Inc	Stock returned under OSLA	Refer to Annexure "F" of notice dated 25 Aug 2010	-65,180 Common Stock	-65,180
23-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-7,838.00 AUD	-2,000 Common Stock	-2,000
23-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-23,700.00 AUD	-6,000 Common Stock	-6,000
24-Aug-2010	Credit Suisse Securities (USA) LLC	Acquired on market	1,209.00 AUD	310 Common Stock	310
24-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-116,850.00 AUD	-30,000 Common Stock	-30,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Acquired on market	11,709.00 AUD	3,000 Common Stock	3,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Acquired on market	7,808.00 AUD	2,000 Common Stock	2,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Acquired on market	3,909.00 AUD	1,000 Common Stock	1,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Acquired on market	3,914.00 AUD	1,000 Common Stock	1,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Acquired on market	31,730.16 AUD	8,080 Common Stock	8,080
25-Aug-2010	Credit Suisse Securities (USA) LLC	Stock returned under OSLA	Refer to Annexure "F" of notice dated 25 Aug 2010	-349,000 Common Stock	-349,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-19,347.00 AUD	-5,000 Common Stock	-5,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-15,580.00 AUD	-4,000 Common Stock	-4,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-11,709.00 AUD	-3,000 Common Stock	-3,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-7,854.00 AUD	-2,000 Common Stock	-2,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-15,740.00 AUD	-4,000 Common Stock	-4,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Disposed on market	-3,962.00 AUD	-1,000 Common Stock	-1,000
25-Aug-2010	Credit Suisse Securities (USA) LLC	Stock borrowed under OSLA	Refer to Annexure "D" of notice	15,000,000 Common Stock	15,000,000
26-Aug-2010	Credit Suisse Securities (USA) LLC	Acquired on market	27,524.00 AUD	7,000 Common Stock	7,000
23-Aug-2010	Credit Suisse Securities (Europe) Limited	Disposed on market	-111,252.00 AUD	-25,400 Common Stock	-25,400
23-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock borrowed under OSLA	Refer to Annexure "D" of notice	3,000,000 Common Stock	3,000,000
23-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock borrowed under OSLA	TBA	442,000 Common Stock	442,000
24-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock borrowed under OSLA	TBA	10,000,000 Common Stock	10,000,000
24-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock borrowed under OSLA	TBA	4,000,000 Common Stock	4,000,000
24-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock borrowed under OSLA	TBA	2,000,000 Common Stock	2,000,000

24-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock returned under OSLA	Refer to Annexure "F" of notice dated 25 Aug 2010	1,258,244 Common Stock	1,258,244
24-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock borrowed under OSLA	Refer to Annexure "D" of notice	1,000,000 Common Stock	1,000,000
24-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock borrowed under OSLA	TBA	900,000 Common Stock	900,000
24-Aug-2010	Credit Suisse Securities (Europe) Limited	Disposed on market	-333,756.00 AUD	-76,200 Common Stock	-76,200
25-Aug-2010	Credit Suisse Securities (Europe) Limited	Disposed on market	-342,028.44 AUD	-77,382 Common Stock	-77,382
25-Aug-2010	Credit Suisse Securities (Europe) Limited	Stock returned under OSLA	Refer to Annexure "F" of notice dated 25 Aug 2010	-4,246,200 Common Stock	-4,246,200
25-Aug-2010	Credit Suisse (Hong Kong) Limited	Disposed on market	-44,300.00 AUD	-10,000 Common Stock	-10,000
25-Aug-2010	Credit Suisse (Hong Kong) Limited	Acquired on market	55,055.00 AUD	12,500 Common Stock	12,500
18-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	111,333.28 AUD	25,400 Common Stock	25,400
24-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	4,411,863.50 AUD	991,430 Common Stock	991,430
25-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	447,359.87 AUD	101,160 Common Stock	101,160
25-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	265,464.00 AUD	60,000 Common Stock	60,000
25-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	2,658,000.00 AUD	600,000 Common Stock	600,000
25-Aug-2010	Credit Suisse Equities (Australia) Limited	Disposed on market	-383,152.38 AUD	-86,506 Common Stock	-86,506
25-Aug-2010	Credit Suisse Equities (Australia) Limited	Disposed on market	-221,625.00 AUD	-50,000 Common Stock	-50,000
26-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	1,054,025.84 AUD	237,693 Common Stock	237,693
26-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	666,660.00 AUD	150,000 Common Stock	150,000
26-Aug-2010	Credit Suisse Equities (Australia) Limited	Acquired on market	236,517.47 AUD	53,082 Common Stock	53,082
26-Aug-2010	Credit Suisse Equities (Australia) Limited	Disposed on market	-770,262.50 AUD	-175,000 Common Stock	-175,000
24-Aug-2010	Credit Suisse Equities (Australia) Limited	Correction of transaction reported in error refer to transaction of notice 604 dated 26 Aug 2010	-3,059,077.70 AUD	-690,303 Common Stock	-690,303

This is Annexure "A" referred to in the Form 604 "Notice of change of interests of substantial holder"

Signature

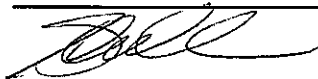
print name

Credit Suisse Holdings (Australia) Limited (ACN 008 496 713)

Sarah Culham

capacity Company Secretary

sign here



date 30-Aug-2010

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Annexure "B"

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Credit Suisse AG (ARBN 061700712)	SwissInterSettle	Credit Suisse AG	Voting rights and right to dispose	846,500 Common Stock	846,500
Aberdeen Asset Management Plc in its capacity as fund manager for funds and clients ("Aberdeen")	Funds and Clients /or their custodians of Aberdeen	Funds and Clients of Aberdeen	Voting rights and right to dispose	806,500 Common Stock	806,500
ICBC Credit Suisse Asset Management Co., Ltd	Citicorp Nominees	ICBC Credit Suisse Asset Management Co., Ltd	Voting rights and right to dispose	150,000 Common Stock	150,000
Credit Suisse AG, Sydney Branch (ARBN 061700712)	Credit Suisse Third Nominees Pty Limited (ACN 007 053 849)	Credit Suisse AG, Sydney Branch	Voting rights and right to dispose	16 Call Option representing 16,000 Common Stock on a fully converted basis	16,000
Credit Suisse AG, Sydney Branch (ARBN 061700712)	Credit Suisse Third Nominees Pty Limited (ACN 007 053 849)	Credit Suisse AG, Sydney Branch	Voting rights and right to dispose	100 Call Option representing 100,000 Common Stock on a fully converted basis	100,000
Credit Suisse AG, Sydney Branch (ARBN 061700712)	Credit Suisse Third Nominees Pty Limited (ACN 007 053 849)	Credit Suisse AG, Sydney Branch	Voting rights and right to dispose	15 Call Option representing 15,000 Common Stock on a fully converted basis	15,000
Credit Suisse AG, Sydney Branch (ARBN 061700712)	Credit Suisse Third Nominees Pty Limited (ACN 007 053 849)	Credit Suisse AG, Sydney Branch	Voting rights and right to dispose	120 Call Option representing 120,000 Common Stock on a fully converted basis	120,000
Credit Suisse AG, Sydney Branch (ARBN 061700712)	Credit Suisse Third Nominees Pty Limited (ACN 007 053 849)	Credit Suisse AG, Sydney Branch	Voting rights and right to dispose	25 Call Option representing 25,000 Common Stock on a fully converted basis	25,000
Credit Suisse Securities (Canada) Inc	TBA	Investment Banking division	Voting rights and right to dispose	2,206 Depository Receipt representing 22,060 Common Stock on a fully converted basis	22,060
Credit Suisse Capital LLC	TBA	Credit Suisse Capital LLC	Voting rights and right to dispose	30,600 Depository Receipt representing 306,000 Common Stock on a fully converted basis	306,000
Credit Suisse Securities (USA) LLC	HSBC Custody Nominees (Australia) Limited	Credit Suisse Securities (USA) LLC	Right to dispose	98 Depository Receipt representing 980 Common Stock on a fully converted basis	980
Credit Suisse Securities (USA) LLC	HSBC Custody Nominees (Australia) Limited	Credit Suisse Securities (USA) LLC	Voting rights and right to dispose	82,264 Depository Receipt representing 822,640 Common Stock on a fully converted basis	822,640
Credit Suisse Securities (USA) LLC	HSBC Custody Nominees (Australia) Limited	Credit Suisse Securities (USA) LLC	Voting rights and right to dispose	15,034,860 Common Stock	15,034,860
Credit Suisse International (ARBN 062787106)	HSBC Custody Nominees (Australia) Limited	Credit Suisse International	Voting rights and right to dispose	119,010 Common Stock	119,010
Credit Suisse International (ARBN 062787106)	HSBC Custody Nominees (Australia) Limited	Credit Suisse International	Voting rights and right to dispose	1,800 Depository Receipt representing 18,000	18,000

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				Common Stock on a fully converted basis	
Credit Suisse Securities (Europe) Limited (ARBN 099554131)	HSBC Custody Nominees (Australia) Limited	Credit Suisse Securities (Europe) Limited	Voting rights and right to dispose	23,476,929 Common Stock	23,476,929
Credit Suisse Securities (Europe) Limited (ARBN 099554131)	HSBC Custody Nominees (Australia) Limited	Credit Suisse Securities (Europe) Limited	Voting rights and right to dispose	13 Call Option representing 13,000 Common Stock on a fully converted basis	13,000
Credit Suisse (Hong Kong) Limited	HSBC Custody Nominees (Australia) Limited	Credit Suisse (Hong Kong) Limited	Voting rights and right to dispose	410,722 Common Stock	410,722
Credit Suisse Equities (Australia) Limited (ACN 068 232 708)	Credit Suisse Fourth Nominees Pty Limited (ACN 069 126 432)	Credit Suisse Equities (Australia) Limited	Voting rights and right to dispose	154,587,223 Common Stock	154,587,223
Credit Suisse Private Banking	SwissInterSettle	Credit Suisse Private Banking	Voting rights and right to dispose	3,500 Common Stock	3,500

This is Annexure "B" referred to in the Form 604 "Notice of change of interests of substantial holder"

Signature

Credit Suisse Holdings (Australia) Limited (ACN 008 496 713)

print name

Sarah Culham

capacity Company Secretary

sign here



date 30-Aug-2010

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Annexure "C"

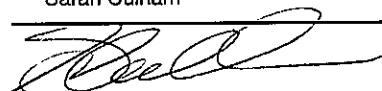
6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Credit Suisse Holdings (Australia) Limited (ACN 008 496 713)	Level 31, Gateway, 1 Macquarie Place, Sydney NSW 2000, Australia
Credit Suisse Third Nominees Pty Limited (ACN 007 053 849)	Level 31, Gateway, 1 Macquarie Place, Sydney NSW 2000, Australia
Credit Suisse Fourth Nominees Pty Limited (ACN 069 126 432)	Level 31, Gateway, 1 Macquarie Place, Sydney NSW 2000, Australia
Credit Suisse AG (ARBN 061700712)	Level 31, Gateway, 1 Macquarie Place, Sydney NSW 2000, Australia
Aberdeen Asset Management Plc in its capacity as fund manager for funds and clients ("Aberdeen")	10 Queens Terrace, Aberdeen AB10 1YG, UK
ICBC Credit Suisse Asset Management Co., Ltd	8/F Bank of Beijing Building, No. C17 Financial Street, Xicheng District, Beijing, China
Credit Suisse AG, Sydney Branch (ARBN 061700712)	Level 31, Gateway, 1 Macquarie Place, Sydney NSW 2000, Australia
Credit Suisse Securities (Canada) Inc	One First Place, Suite 2900, P.O. Box 301, Toronto, Ontario, M5X, 1C9
Credit Suisse Capital LLC	Eleven Madison Avenue, New York NY 10010, USA
Credit Suisse Securities (USA) LLC	Eleven Madison Avenue, New York NY 10010, USA
Credit Suisse International (ARBN 062787106)	One Cabot Square, London E14 4QJ, UK
Credit Suisse Securities (Europe) Limited (ARBN 099554131)	One Cabot Square, London E14 4QJ, UK
Credit Suisse (Hong Kong) Limited	45 & 46/F Two Exchange Square, 8 Connaught Place, Hong Kong Postal Code, People's Republic of China
Credit Suisse Equities (Australia) Limited (ACN 068 232 708)	Level 31, Gateway, 1 Macquarie Place, Sydney NSW 2000, Australia
Credit Suisse Private Banking	Paradeplatz 8, Zurich, 8001, Switzerland


This is Annexure "C" referred to in the Form 604 "Notice of change of interests of substantial holder"

Signature

print name Sarah Culham capacity Company Secretary
 sign here  date 30-Aug-2010

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This is the Annexure "D" referred to in Form 604
"Notice of change of interests of substantial holder"



.....

Date: 30 August 2010

Sarah Culham – Company Secretary

CREDIT SUISSE HOLDINGS (AUSTRALIA) LIMITED
(ACN 008 496 713)

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DATED 23rd December 1998

OVERSEAS SECURITIES LENDER'S AGREEMENT

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THIS AGREEMENT is made the 23rd day of December, 1998

BETWEEN:-

- (1) **THE CHASE MANHATTAN BANK** (London branch) incorporated with limited liability as a New York State chartered bank registered in England as a branch; and whose registered branch address is 125 London Wall, London, EC2Y 5AJ.
- (2) **CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED** a company incorporated under the laws of England and Wales whose registered office is at One Cabot Square, London E14 4QJ.

WHEREAS:-

1. The Parties hereto are desirous of agreeing a procedure whereby either one of them (the "Lender") will make available to the other of them (the "Borrower") from time to time Securities (as hereinafter defined) in order to enable the Borrower, subject to any Inland Revenue provisions then in force, to fulfil a contract to sell such Securities or to on lend such Securities to a third party to enable such party to fulfil a contract to sell such Securities, whether or not as part of a chain of arrangements to enable the final party in such chain to fulfil a contract to sell such Securities or to replace an existing loan of Securities to such third party, or for other purposes.
2. All transactions carried out under this Agreement will be effected in accordance with the Rules (as hereinafter defined) **TOGETHER WITH** current market practices, customs and conventions.

- (ii) its admitting in writing that it is unable to pay its debts as they become due, or
- (iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property, or;
- (iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing; -
- (v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (vi) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding);

"Agent"

shall have the same meaning given in Clause 14;

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"Appropriate Tax Vouchers" means:-

- (i) either such tax vouchers and/or certificates as shall enable the recipient to claim and receive from any relevant tax authority, in respect of interest, dividends, distributions and/or other amounts (including for the avoidance of doubt any manufactured payment) relating to particular Securities, all and any repayment of tax or benefit of tax credit to which the Lender would have been entitled but for the loan of Securities in accordance with this Agreement and/or to which the Lender is entitled in respect of tax withheld and accounted for in respect of any manufactured payment; or such tax vouchers and/or certificates as are provided by the Borrower which evidence an amount of overseas tax deducted which shall enable the recipient to claim and receive from any relevant tax authority all and any repayment of tax from the UK Inland Revenue or benefits of tax credit in the jurisdiction of the recipient's residence; and
- (ii) such vouchers and/or certificates in respect of interest, dividends, distributions and/or other amounts relating to particular Collateral;

"Approved UK Collecting Agent"

means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

"Approved Intermediary"

means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

"Assured Payment"

means a payment obligation of a Settlement Bank arising (under the Assured Payment Agreement) as a result of a transfer of stock or other securities to a CGO stock account

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of a member of the CGO for whom that Settlement Bank is acting;

"Assured Payment Agreement"

means an agreement dated 24 October 1986 between the Bank of England and all the other banks which are for the time being acting as Settlement Banks in relation to the CGO regulating the obligations of such banks to make payments in respect of transfers of securities through the CGO as supplemented and amended from time to time;

"Base Currency"

has the meaning given in the Schedule hereto;

"Bid Price"

in relation to Equivalent Securities or Equivalent Collateral means the best available bid price thereof on the most appropriate market in a standard size;

"Bid Value"

Subject to Clause 8(E) means:-

- (a) in relation to Equivalent Collateral at a particular time:-
 - (i) in relation to Collateral Types B(x) and C (more specifically referred to in the Schedule) the Value thereof as calculated in accordance with such Schedule;
 - (ii) in relation to all other types of Collateral (more specifically referred to in the Schedule) the amount which would be received on a sale of such Collateral at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection with selling or otherwise realising such Equivalent Collateral, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or

realisation and adding thereto the amount of any interest, dividends, distributions or other amounts paid to the Lender and in respect of which equivalent amounts have not been paid to the Borrower in accordance with Clause 6(G) prior to such time in respect of such Equivalent Collateral or the original Collateral held gross of all and any tax deducted or paid in respect thereof;

and

- (b) in relation to Equivalent Securities at a particular time the amount which would be received on a sale of such Equivalent Securities at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

"Borrower"

with respect to a particular loan of Securities means the Borrower as referred to in Recital 1 of this Agreement;

"Borrowing Request"

means a request made (by telephone or otherwise) by the Borrower to the Lender pursuant to Clause 2(A) specifying the description, title and amount of the Securities required by the Borrower, the proposed Settlement Date and duration of such loan and the date, time, mode and place of delivery which shall, where relevant, include the bank agent clearing or settlement system and account to which delivery of the Securities is to be made;

"Business Day"

means a day on which banks and securities markets are open for business generally in London and, in relation to the delivery or redelivery of any of the following in relation to

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any loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered;

"Cash Collateral" means Collateral that takes the form of a deposit of currency;

"Central Gilts Office" or "CGO" means the computer based system managed by the Bank of England to facilitate the book-entry transfer of gilt-edged securities;

"CGO Collateral" shall have the meaning specified in paragraph A of the Schedule;

"CGO Rules" means the requirements of the CGO for the time being in force as defined in the membership agreement regulating membership of the CGO;

"Close of Business" means the time at which banks close in the business centre in which payment is to be made or Collateral is to be delivered;

"Collateral" means such securities or financial instruments or deposits of currency as are referred to in the Schedule hereto or any combination thereof which are delivered by the Borrower to the Lender in accordance with this Agreement and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate), and shall include Alternative Collateral;

"Defaulting Party" shall have the meaning given in Clause 12;

"Equivalent Collateral" or "Collateral equivalent to" in relation to any Collateral provided under this Agreement means securities, cash or other property, as the case may be, of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Collateral consists of securities that are partly paid or have been converted, subdivided, consolidated,

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redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the relevant Collateral has been converted, subdivided or consolidated **PROVIDED THAT**, if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Borrower shall have paid to the Lender an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the relevant Collateral **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the relevant Collateral **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Borrower has given notice to the Lender in accordance with Clause 4(B)(vi), and has paid to the Lender all and any sums due in respect thereof;

- (g) in the event that a payment or delivery of Income is made in respect of the relevant Collateral in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the relevant Collateral **TOGETHER WITH** securities or a certificate equivalent to those allotted;
- (h) in the case of any event similar to any of the foregoing, the relevant Collateral **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such Collateral resulting from such event;

For the avoidance of doubt, in the case of Bankers' Acceptances (Collateral type B(v)), Equivalent Collateral must bear dates, acceptances and endorsements (if any) by the same entities as the bill to which it is intended to be equivalent and for the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

"Equivalent Securities"

means securities of an identical type, nominal value, description and amount to particular Securities borrowed and such term shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Securities are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the borrowed Securities have been converted, subdivided or consolidated **PROVIDED THAT** if appropriate, notice has been given in accordance with Clause 4(B)(vi);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of takeover, a sum of money or securities, being the consideration or alternative consideration of which the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi);
- (d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Lender shall have paid to the Borrower an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the borrowed Securities **TOGETHER WITH** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the borrowed Securities **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Lender has given notice to the Borrower in accordance with Clause 4(B)(vi), and has paid to the Borrower all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the borrowed Securities in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of

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securities or a certificate which may at a future date be exchanged for securities, notice has been given to the Borrower in accordance with Clause 4(B)(vi) the borrowed Securities **TOGETHER WITH** securities or a certificate equivalent to those allotted;

(h) in the case of any event similar to any of the foregoing, the borrowed Securities **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such borrowed Securities resulting from such event; For the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

"Event of Default"

has the meaning given in Clause 12;

"Income"

any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;

"Income Payment Date",

with respect to any Securities or Collateral means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income;

"Lender"

with respect to a particular loan of Securities means the Lender as referred to in Recital 1 of this Agreement;

"Manufactured Dividend"

shall have the meaning given in Clause 4(B)(ii);

"Margin"

shall have the meaning specified in the Schedule hereto;

"Nominee"

means an agent or a nominee appointed by either Party and approved (if appropriate) as such by the Inland Revenue to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral on its behalf whose appointment has been notified to the other Party;

"Non-Defaulting Party"

shall have the meaning given in Clause 12;

"Offer Price"

in relation to Equivalent Securities or Equivalent Collateral means the best available offer price thereof on the most appropriate market in a standard size;

"Offer Value"

Subject to Clause 8(E) means:-

- (a) in relation to Collateral equivalent to Collateral types B (ix) and C (more specifically referred to in the Schedule hereto) the Value thereof as calculated in accordance with such Schedule; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral (more specifically referred to in the Schedule hereto) the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof at such time together with all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

"Parties"

means the Lender and the Borrower and "Party" shall be construed accordingly;

"Performance Date"

shall have the meaning given in Clause 8;

"Principal"

shall have the meaning given in Clause 14;

"Reference Price"

means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to types B (ii), (viii), (xi) and (xii) (more specifically referred to in the Schedule hereto) such price as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service (such as the services provided by Reuters, Exel Statistical Services and Telerate) reasonably chosen in good faith by the Lender or if unavailable the market value thereof as derived from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender, in each case at Close of Business on the previous Business Day;
- (b) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types A and B(i) (more specifically referred to in the Schedule hereto), the CGO Reference Price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral then current as determined in accordance with the CGO Rules from time to time in force.
- (c) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types B(iii), (iv), (v), (vi) (vii) and (ix), (more specifically referred to in the Schedule hereto), the market value thereof as derived from the rates bid by Barclays Bank PLC for such instruments or, in the absence of such a bid, the average of the rates bid by two leading market makers for such instruments at Close of Business on the previous Business Day;

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"Relevant Payment Date"

shall have the meaning given in Clause 4(B)(i);

"Rules"

means the rules for the time being of the Stock Exchange (where either Party is a member of the Stock Exchange) and/or any other regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement including but not limited to the stocklending regulations and guidance notes relating to both stocklending and manufactured interest and dividends for the time being in force of the Commissioners of the Inland Revenue and any associated procedures required pursuant thereto (PROVIDED THAT in an Event of Default, where either Party is a member of the Stock Exchange, the Rules and Regulations of the Stock Exchange shall prevail);

"Securities"

means Overseas Securities as defined in the Income Tax (Stock Lending) Regulations 1989 (S.I. 1989 No. 1299) (as amended by the Income Tax (Stock Lending) (Amendment) Regulations 1990 (S.I. 1990 No. 2552) and 1993 (S.I. 1993 No. 2003)) or any statutory modification or re-enactment thereof for the time being in force which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which are the subject of a loan pursuant to this Agreement and such term shall include the certificates and other documents of title in respect of the foregoing;

"Settlement Bank"

means a settlement member of the CHAPS and Town Clearing systems who has entered into contractual arrangements with the CGO to provide Assured Payment facilities for members of the CGO;

"Settlement Date"

means the date upon which Securities are or are to be transferred to the Borrower in accordance with this Agreement;

"Stock Exchange"

means the London Stock Exchange Limited;

"Value"

at any particular time means in respect of Securities and Equivalent Securities, the Reference Price thereof then current and in respect of Collateral and/or Equivalent Collateral such worth as determined in accordance with the Schedule hereto.

- (B) All headings appear for convenience only and shall not affect the interpretation hereof.
- (C) Notwithstanding the use of expressions such as "borrow", "lend", "Collateral", "Margin", "redeliver" etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities "borrowed" or "lent" and "Collateral" provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.
- (D) For the purposes of Clauses 6(H)-6(K) and 8(C)-8(E) of this Agreement or otherwise where a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the spot rate of exchange at the relevant time in the London interbank market for the purchase of the Base Currency with the currency concerned.
- (E) Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement.

2. LOANS OF SECURITIES

- (A) The Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender in accordance with the terms and conditions of this Agreement and with the Rules **PROVIDED ALWAYS THAT** the Lender shall have received from the Borrower and accepted (by whatever means) a Borrowing Request.
- (B) The Borrower has the right to reduce the amount of Securities referred to in a Borrowing Request **PROVIDED THAT** the Borrower has notified the Lender of such reduction no

later than midday London time on the day which is two Business Days prior to the Settlement Date unless otherwise agreed between the Parties and the Lender shall have accepted such reduction (by whatever means).

3. DELIVERY OF SECURITIES

The Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant Borrowing Request **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Borrower. Such Securities shall be deemed to have been delivered by the Lender to the Borrower on delivery to the Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or a clearing or settlement system on the effective instructions to such agent or the operator of such system to hold the Securities absolutely for the Borrower, or by such other means as may be agreed.

4. RIGHTS AND TITLE

(A) The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (i) any Securities borrowed pursuant to Clause 2;
- (ii) any Equivalent Securities redelivered pursuant to Clause 7;
- (iii) any Collateral delivered pursuant to Clause 6;
- (iv) any Equivalent Collateral redelivered pursuant to Clauses 6 or 7;

shall pass from one Party to the other subject to the terms and conditions mentioned herein and in accordance with the Rules, on delivery or redelivery of the same in accordance with this Agreement, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to

such Party, such Party shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

- (B)
- (i) Where Income is paid in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan hereunder, the Borrower shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the "Relevant Payment Date") pay and deliver a sum of money or property equivalent to the same (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Lender or its Nominee, irrespective of whether the Borrower received the same. The provisions of sub-paragraphs (ii) to (v) below shall apply in relation thereto.
 - (ii) Subject to sub-paragraph (iii) below, in the case of any Income comprising a payment, the amount (the "Manufactured Dividend") payable by the Borrower shall be equal to the amount of the relevant Income together with an amount equivalent to any deduction, withholding or payment for or on account of tax made by the relevant issuer (or on its behalf) in respect of such Income together with an amount equal to any other tax credit associated with such Income unless a lesser amount is agreed between the Parties or an Appropriate Tax Voucher (together with any further amount which may be agreed between the Parties to be paid) is provided in lieu of such deduction, withholding tax credit or payment.
 - (iii) Where either the Borrower, or any person to whom the Borrower has on-lent the Securities, is unable to make payment of the Manufactured Dividend to the Lender without accounting to the Inland Revenue for any amount of relevant tax (as required by Schedule 23A to the Income and Corporation Taxes Act 1988) the Borrower shall pay to the Lender or its Nominee, in cash, the Manufactured Dividend less amounts equal to such tax. The Borrower shall at the same time if requested supply Appropriate Tax Vouchers to the Lender.
 - (iv) If at any time any Manufactured Dividend falls to be paid and neither of the Parties is an Approved UK Intermediary or an Approved UK Collecting Agent, the Borrower shall procure that the payment is paid through an Approved UK Intermediary or an Approved UK Collecting Agent agreed by

the Parties for this purpose, unless the rate of relevant withholding tax in respect of any Income that would have been payable to the Lender but for the loan of the Securities would have been zero and no income tax liability under Section 123 of the Income and Corporation Taxes Act 1988 would have arisen in respect thereof.

- (v) In the event of the Borrower failing to remit either directly or by its Nominee any sum payable pursuant to this Clause, the Borrower hereby undertakes to pay a rate to the Lender (upon demand) on the amount due and outstanding at the rate provided for in Clause 13 hereof. Interest on such sum shall accrue daily commencing on and inclusive of the third Business Day after the Relevant Payment Date, unless otherwise agreed between the Parties.
- (vi) Each Party undertakes that where it holds securities of the same description as any securities borrowed by it or transferred to it by way of collateral at a time when a right to vote arises in respect of such securities, it will use its best endeavours to arrange for the voting rights attached to such securities to be exercised in accordance with the instructions of the Lender or Borrower (as the case may be) **PROVIDED ALWAYS THAT** each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable or as otherwise agreed between the Parties and that the Party concerned shall not be obliged so to exercise the votes in respect of a number of Securities greater than the number so lent or transferred to it. For the avoidance of doubt the Parties agree that subject as hereinbefore provided any voting rights attaching to the relevant Securities, Equivalent Securities, Collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered or in the case of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral in bearer form, the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Lender (as the case may be).
- (vii) Where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer or other rights, including those requiring election by the

holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.

(viii) Any payment to be made by the Borrower under this Clause shall be made in a manner to be agreed between the Parties.

5. RATES

(A) In respect of each loan of Securities, the Borrower shall pay to the Lender, in the manner prescribed in sub-Clause (C), sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Value of the relevant Securities.

(B) Where Cash Collateral is deposited with the Lender in respect of any loan of Securities in circumstances where:

(i) interest is earned by the Lender in respect of such Cash Collateral and that interest is paid to the Lender without deduction of tax, the Lender shall pay to the Borrower, in the manner prescribed in sub-Clause (C), an amount equal to the gross amount of such interest earned. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof if either the Borrower has warranted to the Lender in this Agreement that it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder or the Lender has notified the Borrower of the gross amount of such interest or income; and

(ii) sub-Clause (B)(i) above does not apply, the Lender shall pay to the Borrower, in the manner presented in sub-Clause (C), sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such

Cash Collateral. Any such payment due to the Borrower may be set-off against any payment due to the Lender pursuant to sub-Clause (A) hereof.

- (C) In respect of each loan of Securities, the payments referred to in sub-Clauses (A) and (B) of this Clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Day and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Lender or to the Borrower by the Lender (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree. Any payment made pursuant to sub-Clauses (A) and (B) hereof shall be in such currency and shall be paid in such manner and at such place as shall be agreed between the Parties.

6. COLLATERAL

- (A) (i) Subject to sub-Clauses (B), (C) and (E) below the Borrower undertakes to deliver Collateral to the Lender (or in accordance with the Lender's instructions) **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Lender simultaneously with **delivery** of the borrowed Securities and in any event no later than Close of Business on the Settlement Date. Collateral may be provided in any of the forms specified in the Schedule hereto (as agreed between the Parties);

(ii) where Collateral is delivered to the Lender's Nominee any obligation under this Agreement to redeliver or otherwise account for Equivalent Collateral shall be an obligation of the Lender notwithstanding that any such redelivery may be effected in any particular case by the Nominee.

- (B) Where CGO Collateral is provided to the Lender or its Nominee by member-to-member delivery or delivery-by-value in accordance with the provisions of the CGO Rules from time to time in force, the obligation of the Lender shall be to redeliver Equivalent Collateral through the CGO to the Borrower in accordance with this Agreement. Any references, (howsoever expressed) in this Agreement, the Rules, and/or any other agreement or communication between the Parties to an obligation to redeliver such Equivalent Collateral shall be construed accordingly. If the loan of Securities in respect of which such Collateral

was provided has not been discharged when the Collateral is redelivered, the Assured Payment obligation generated on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue daily where CGO Collateral is delivered-by-value for as long as the relevant loan remains outstanding.

- (C) Where CGO Collateral or other collateral is provided by delivery-by-value to a Lender or its Nominee the Borrower may consolidate such Collateral with other Collateral provided by the same delivery to a third party for whom the Lender or its Nominee is acting.
- (D) Where Collateral is provided by delivery-by-value through an alternative book entry transfer system, not being the CGO, the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue when Collateral is delivered-by-value for as long as the relevant loan remains outstanding;
- (E) Where Cash Collateral is provided the sum of money so deposited may be adjusted in accordance with Clause 6(H). Subject to Clause 6(H)(ii), the Cash Collateral shall be repaid at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered, and the Borrower shall not assign, charge, dispose of or otherwise deal with its rights in respect of the Cash Collateral. If the Borrower fails to comply with its obligations for such redelivery of Equivalent Securities the Lender shall have the right to apply the Cash Collateral by way of set-off in accordance with Clause 8.
- (F) The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to the Lender prior to the date on which the same would otherwise have been repayable or redeliverable PROVIDED THAT at the time of such repayment or redelivery the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Lender.

(G) (i) Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable, the Borrower shall call for the redelivery of Collateral equivalent to such Collateral in good time to ensure that such Equivalent Collateral may be delivered prior to any such Income becoming payable to the Lender, unless in relation to such Collateral the Parties are satisfied before the relevant Collateral is transferred that no tax will be payable to the UK Inland Revenue under Schedule 23A of the Income and Corporation Taxes Act 1988. At the time of such redelivery the Borrower shall deliver Alternative Collateral acceptable to the Lender.

(ii) Where the Lender receives any Income in circumstances where the Parties are satisfied as set out in Clause 6(G)(i) above, then the Lender shall on the date on which the Lender receives such Income or on such date as the Parties may from time to time agree, pay and deliver a sum of money or property equivalent to such Income (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Borrower and shall supply Appropriate Tax Vouchers (if any) to the Borrower.

(H) Unless the Schedule to this Agreement indicates that Clause 6(I) shall apply in lieu of this Clause 6(H), or unless otherwise agreed between the Parties, the Value of the Collateral delivered to or deposited with the Lender or its nominated bank or depositary (excluding any Collateral repaid or redelivered under sub-Clauses (H)(ii) or (I)(ii) below (as the case may be) ("Posted Collateral")) in respect of any loan of Securities shall bear from day to day and at any time the same proportion to the Value of the Securities borrowed under such loan as the Posted Collateral bore at the commencement of such loan. Accordingly:

- (i) the Value of the Posted Collateral to be delivered or deposited while the loan of Securities continues shall be equal to the Value of the borrowed Securities and the Margin applicable thereto (the "Required Collateral Value");
- (ii) if on any Business Day the Value of the Posted Collateral in respect of any loan of Securities exceeds the Required Collateral Value in respect of such loan, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess; and

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- (ii) if on any Business Day the Value of the Posted Collateral falls below the Required Collateral Value, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
- (I) Subject to Clause 6(J), unless the Schedule to this Agreement indicates that Clause 6(H) shall apply in lieu of this Clause 6(I), or unless otherwise agreed between the Parties:-
- (i) the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement shall equal the aggregate of the Required Collateral Values in respect of such loans;
 - (ii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess;
 - (iii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
- (J) Where Clause 6(I) applies, unless the Schedule to this Agreement indicates that this Clause 6(J) does not apply, if a Party (the "first Party") would, but for this Clause 6(J), be required under Clause 6(I) to repay Cash Collateral, redeliver Equivalent Securities or provide further Collateral in circumstances where the other Party (the "second Party") would, but for this Clause 6(J), also be required to repay Cash Collateral or provide or redeliver Equivalent Collateral under Clause 6(I), then the Value of the Cash Collateral or Equivalent Collateral deliverable by the first Party ("X") shall be set-off against the Value of the Cash Collateral, or Equivalent Collateral or further Collateral deliverable by the second Party ("Y") and the only obligation of the Parties under Clause 6(I) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party, to repay Cash Collateral, redeliver Equivalent Collateral or to deliver further Collateral having a Value equal to the difference between X and Y.

(K) Where Cash Collateral is repaid, Equivalent Collateral is redelivered or further Collateral is provided by a Party under Clause 6(I), the Parties shall agree to which loan or loans of Securities such repayment, redelivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, redelivery or further provision to the earliest outstanding loan and, in the case of a repayment or redelivery up to the point at which the Value of Collateral in respect of such loan is reduced to zero and, in the case of a further provision up to the point at which the Value of the Collateral in respect of such loan equals the Required Collateral Value in respect of such loan, and then to the next earliest outstanding loan up to the similar point and so on.

(L) Where any Cash Collateral falls to be repaid or Equivalent Collateral to be redelivered or further Collateral to be provided under this Clause 6, it shall be delivered within the minimum period after demand specified in the Schedule or if no appropriate period is there specified within the standard settlement time for delivery of the relevant type of Cash Collateral, Equivalent Collateral or Collateral, as the case may be.

7. REDELIVERY OF EQUIVALENT SECURITIES

(A) The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to borrowed Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.

(B) Subject to Clause 8 hereof and the terms of the relevant Borrowing Request the Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Lender's instructions. Simultaneously with the redelivery of the Equivalent Securities in accordance with such call, the Lender shall (subject to Clause 6(I), if applicable) repay any Cash Collateral and redeliver to the Borrower Collateral equivalent to the Collateral delivered pursuant to Clause 6 in respect of the borrowed Securities. For

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the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (however expressed) to an obligation to redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.

- (C) If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Lender may elect to continue the loan of Securities **PROVIDED THAT** if the Lender does not elect to continue the loan the Lender may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of Clauses (8) (B) to (F) shall apply as if upon the expiry of such notice an Event of Default had occurred in relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.
- (D) In the event that as a result of the failure of the Borrower to redeliver Equivalent Securities to the Lender in accordance with this Agreement a "buy-in" is exercised against the Lender then provided that reasonable notice has been given to the Borrower of the likelihood of such a "buy-in", the Borrower shall account to the Lender for the total costs and expenses reasonably incurred by the Lender as a result of such "buy-in".
- (E) Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions. The Lender shall accept such redelivery and simultaneously therewith (subject to Clause 6(I) if applicable) shall repay to the Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by the Borrower pursuant to Clause 6 in respect thereof.
- (F) Where a TALISMAN short term certificate (as described in paragraph C of the Schedule) is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the redelivery of the certificate to the Borrower or its expiry as provided for in the Rules applying to such certificate.
- (G) Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the Lender redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one loan, by the Lender consenting to a reduction in the value of the Letter of Credit.

8. SET-OFF ETC.

(A) On the date and time (the "Performance Date") that Equivalent Securities are required to be redelivered by the Borrower in accordance with the provisions of this Agreement the Lender shall simultaneously redeliver the Equivalent Collateral and repay any Cash Collateral held (in respect of the Equivalent Securities to be redelivered) to the Borrower. Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it simultaneously. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.

(B) If an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "Performance Date" for the purposes of this clause) and in such event:

- (i) the Relevant Value of the Securities to be delivered (or payment to be made, as the case may be) by each Party shall be established in accordance with Clause 8(C); and
- (ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Performance Date) of what is due from each Party to the other and (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Performance Date.

- (C) For the purposes of Clause 8(B) the Relevant Value:-
- (i) of any cash payment obligation shall equal its par value (disregarding any amount taken into account under (ii) or (iii) below);
 - (ii) of any securities to be delivered by the Defaulting Party shall, subject to Clause 8(E) below, equal the Offer Value thereof; and
 - (iii) of any securities to be delivered to the Defaulting Party shall, subject to Clause 8(E) below, equal the Bid Value thereof.

(D) For the purposes of Clause 8(C), but subject to Clause 8(E) below, the Bid Value and Offer Value of any securities shall be calculated as at the Close of Business in the most appropriate market for securities of the relevant description (as determined by the Non-Defaulting Party) on the first Business Day following the Performance Date, or if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Performance Date (the "Default Valuation Time");

(E) (i) Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the Default Valuation Time purchased securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party and in substantially the same amount as those securities or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party and in substantially the same amount as those securities, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall be treated as the Offer Value or Bid Value, as the case may be, of the relevant securities for the purposes of this Clause 8.

(ii) Where the amount of any securities sold or purchased as mentioned in (E)(i) above is not in substantially the same amount as those securities to be valued for the purposes Clause 8(C) the Offer Value or the Bid Value (as the case may be) of those securities shall be ascertained by dividing the net proceeds of sale or cost of purchase by the amount of the securities sold or purchased so as to obtain a net unit price and multiplying that net unit price by the amount of the securities to be valued.

(F) Any reference in this Clause 8 to securities shall include any asset other than cash provided by way of Collateral.

(G) If the Borrower or the Lender for any reason fail to comply with their respective obligations under Clauses 6(F) or 6(G) in respect of redelivery of Equivalent Collateral or repayment of Cash Collateral such failure shall be an Event of Default for the purposes of this Clause 8, and the person failing to comply shall thus be the Defaulting Party.

(H) Subject to and without prejudice to its rights under Clause 8(A) either Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment PROVIDED THAT no such waiver in respect of one transaction shall bind it in respect of any other transaction.

9. TAXATION

(A) The Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified the Lender against any liability arising in respect thereof as a result of the Borrower's failure to do so.

(B) The Borrower shall only make a Borrowing Request where the purpose of the loan meets the requirements of the Rules regarding the conditions that must be fulfilled for Section 129 of the Income and Corporation Taxes Act 1988 (or any statutory modification or re-enactment thereof for the time being in force) to apply to the arrangement concerning the loan, unless the Lender is aware that the transaction is unapproved for the purposes of the Rules of the UK Inland Revenue or such purpose is not met.

(C) A Party undertakes to notify the other Party if it becomes or ceases to be an Approved UK Intermediary or an Approved UK Collecting Agent.

10. LENDER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- For personal use only
- (A) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
 - (B) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
 - (C) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to the Borrower free from all liens, charges and encumbrances;
 - (D) where the Schedule to this Agreement specifies that this Clause 10(D) applies, it is not resident in the United Kingdom for tax purposes and either is not carrying on a trade in the United Kingdom through a branch or agency or if it is carrying on such a trade the loan is not entered into in the course of the business of such branch or agency, and it has (i) delivered or caused to be delivered to the Borrower a duly completed and certified Certificate (MOD2) or a photocopy thereof bearing an Inland Revenue acknowledgement and unique number and such Certificate or photocopy remains valid or (ii) has taken all necessary steps to enable a specific authorisation to make gross payment of the Manufactured Dividend to be issued by the Inland Revenue;

11. BORROWER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (A) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (B) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to the Lender free from all liens, charges and encumbrances;
- (D) it is acting as principal in respect of this Agreement;

- (E) where the Schedule to this Agreement specifies this Clause 11(E) applies, it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder.

12. EVENTS OF DEFAULT

Each of the following events occurring in relation to either Party (the "Defaulting Party", the other Party being the "Non-Defaulting Party") shall be an Event of Default for the purpose of Clause 8:-

- (A) the Borrower or Lender failing to pay or repay Cash Collateral or deliver or redeliver Collateral or Equivalent Collateral upon the due date, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (B) the Lender or Borrower failing to comply with its obligations under Clause 6, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (C) the Borrower failing to comply with Clause 4(B)(i), (ii) or (iii) hereof, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (D) an Act of Insolvency occurring with respect to the Lender or the Borrower and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the Non-Defaulting Party serves written notice on the Defaulting Party;
- (E) any representations or warranties made by the Lender or the Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (F) the Lender or the Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations hereunder and/or in respect of any loan hereunder, and the Non-Defaulting Party serves written notice on the Defaulting Party;
- (G) the Lender (if appropriate) or the Borrower being declared in default by the appropriate authority under the Rules or being suspended or expelled from membership of or participation in any securities exchange or association or other self-regulatory organisation,

or suspended from dealing in securities by any government agency, and the Non-Defaulting Party serves written notice on the Defaulting Party;

- (H) any of the assets of the Lender or the Borrower or the assets of investors held by or to the order of the Lender or the Borrower being transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the Non-Defaulting Party serves written notice on the Defaulting Party, or
- (I) the Lender or the Borrower failing to perform any other of its obligations hereunder and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure, and the Non-Defaulting Party serves a further written notice on the Defaulting Party.

Each Party shall notify the other if an Event of Default occurs in relation to it.

13. OUTSTANDING PAYMENTS

In the event of either Party failing to remit either directly or by its Nominee sums in accordance with this Agreement such Party hereby undertakes to pay a rate to the other Party upon demand on the net balance due and outstanding of 1% above the Barclays Bank PLC base rate from time to time in force.

14. TRANSACTIONS ENTERED INTO AS AGENT

- (A) Subject to the following provisions of this Clause, the Lender may enter into loans as agent (in such capacity, the "Agent") for a third person (a "Principal"), whether as custodian or investment manager or otherwise (a loan so entered into being referred to in this clause as an "Agency Transaction").
- (B) A Lender may enter into an Agency Transaction if, but only if:-
 - (i) if specifies that loan as an Agency Transaction at the time when it enters into it;
 - (ii) it enters into that loan on behalf of a single Principal whose identity is disclosed to the Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the loan; and

- (iii) it has at the time when the loan is entered into actual authority to enter into the loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in (D)(ii) below.

(C) The Lender undertakes that, if it enters as agent into an Agency Transaction, forthwith upon becoming aware:-

- (i) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
- (ii) of any breach of any of the warranties given in Clause 14(E) below or of any event or circumstance which has the result that any such warranty would be untrue if repeated by reference to the current facts;

it will inform the Borrower of that fact and will, if so required by the Borrower, furnish it with such additional information as it may reasonably request.

(D) (i) Each Agency Transaction shall be a transaction between the relevant Principal and the Borrower and no person other than the relevant Principal and the Borrower shall be a party to or have any rights or obligations under an Agency Transaction. Without limiting the foregoing, the Lender shall not be liable as principal for the performance of an Agency Transaction or for breach of any warranty contained in Clause 10(D) or 11(E) of this Agreement, but this is without prejudice to any liability of the Lender under any other provision of this Clause.

(ii) All the provisions of the Agreement shall apply separately as between the Borrower and each Principal for whom the Agent has entered into an Agency transaction or Agency Transactions as if each such Principal were a party to a separate agreement with the Borrower in all respects identical with this Agreement other than this paragraph and as if the Principal were Lender in respect of that agreement.

PROVIDED THAT

if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if the Borrower served written notice under any sub-Clause of Clause 12, the Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given to the Lender in accordance with Clause 20) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If the Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and

if the Principal is neither incorporated nor has established a place of business in Great Britain, the Principal shall for the purposes of the agreement referred to in (D)(ii) be deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in the United Kingdom, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other party.

(iii) The foregoing provisions of this Clause do not affect the operation of the Agreement as between the Borrower and the Lender in respect of any transactions into which the Lender may enter on its own account as principal.

(E) The Lender warrants to the Borrower that it will, on every occasion on which it enters or purports to enter into a transaction as an Agency Transaction, have been duly authorised to enter into that loan and perform the obligations arising thereunder on behalf of the person whom it specifies as the principal in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in (D)(ii).

15. TERMINATION OF COURSE OF DEALINGS BY NOTICE

Each Party shall have the right to bring the course of dealing contemplated under this Agreement to an end by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all loans and which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement and with the Rules.

16. GOVERNING PRACTICES

The Borrower shall use its best endeavours to notify the Lender (in writing) of any changes in legislation or practices governing or affecting the Lender's rights or obligations under this Agreement or the treatment of transactions effected pursuant to or contemplated by this Agreement.

17. OBSERVANCE OF PROCEDURES

Each of the Parties hereto agrees that in taking any action that may be required in accordance with this Agreement it shall observe strictly the procedures and timetable applied by the Rules and, further, shall observe strictly any agreement (oral or otherwise) as to the time for delivery or redelivery of any money, Securities, Equivalent Securities, Collateral or Equivalent Collateral entered into pursuant to this Agreement.

18. SEVERANCE

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the Parties with respect to that severed provision.

19. SPECIFIC PERFORMANCE

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

20. NOTICES

All notices issued under this Agreement shall be in writing (which shall include telex or facsimile messages) and shall be deemed validly delivered if sent by prepaid first class post to or left at the addresses or sent to the telex or facsimile number of the Parties respectively or such other addresses or telex or facsimile numbers as each Party may notify in writing to the other.

21. ASSIGNMENT

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party.

22. NON-WAIVER

No failure or delay by either Party to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

23. ARBITRATION AND JURISDICTION

- (A) All claims, disputes and matters of conflict between the Parties arising hereunder shall be referred to or submitted for arbitration in London in accordance with English Law before a sole arbitrator to be agreed between the Parties or in default of agreement by an arbitrator to be nominated by the Chairman of The Stock Exchange on the application of either Party, and this Agreement shall be deemed for this purpose to be a submission to arbitration within the Arbitration Acts 1950 and 1979, or any statutory modification or re-enactment thereof for the time being in force.
- (B) This Clause shall take effect notwithstanding the frustration or other termination of this Agreement.
- (C) No action shall be brought upon any issue between the Parties under or in connection with this Agreement until the same has been submitted to arbitration pursuant hereto and an award made.

24. TIME

Time shall be of the essence of the Agreement.

25. RECORDING

The Parties agree that each may electronically record all telephonic conversations between them.

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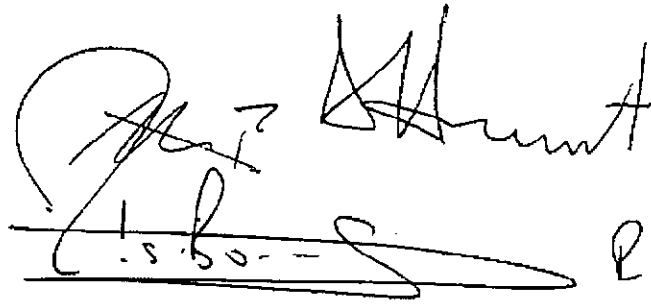
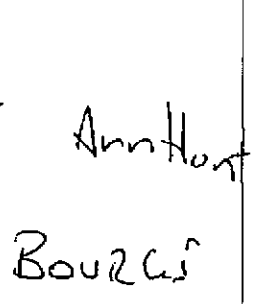
26. GOVERNING LAW

This Agreement is governed by, and shall be construed in accordance with, English Law.



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IN WITNESS WHEREOF this Agreement has been executed on behalf of the Parties hereto the day and year first before written.

SIGNED BY)
)
)
ON BEHALF OF)
The Chase Manhattan)
Bank (London branch))
IN THE PRESENCE OF:)

 P. Bouzas


SIGNED BY)
)
)
ON BEHALF OF)
Credit Suisse First)
Boston (Europe) Limited)
IN THE PRESENCE OF:)

 Michael Pringle
Attorney-in-Fact

Hamish Findlater
Attorney-in-Fact

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SCHEDULE

COLLATERAL

Types

Collateral acceptable under this Agreement may include the following or otherwise, as agreed between the Parties from time to time whether transferable by hand or within a depository:-

- A. British Government Stock and other stock registered at the Bank of England which is transferable through the CGO to the Lender or its Nominee against an Assured Payment, hereinbefore referred to as CGO Collateral.
- B.
- (i) British Government Stock and Sterling Issues by foreign governments (transferable through the CGO), in the form of an enfaced transfer deed or a long term collateral certificate or overnight collateral chit issued by the CGO accompanied (in each case) by an executed unenfaced transfer deed;
 - (ii) Corporation and Commonwealth Stock in the form of registered stock or allotment letters duly renounced;
 - (iii) UK Government Treasury Bills;
 - (iv) U.S. Government Treasury Bills;
 - (v) Bankers' Acceptances;
 - (vi) Sterling Certificates of Deposit;
 - (vii) Foreign Currency Certificates of Deposit;
 - (viii) Local Authority Bonds;
 - (ix) Local Authority Bills;
 - (x) Letters of Credit;
 - (xi) Bonds or Equities in registrable form or allotment letters duly renounced;

(xii) Bonds or Equities in bearer form.

C. Unexpired TALISMAN short-term certificates issued by The Stock Exchange; and

D. Cash Collateral.

Valuation of Collateral

Collateral provided in accordance with this Agreement shall be evaluated by reference to the following, or by such means as the Parties may from time to time agree:-

- (A) in respect of Collateral types A(i) and B(i), the current CGO value calculated by reference to the middle market price of each stock as determined daily by the Bank of England, adjusted to include the accumulated interest thereon (the CGO Reference Price);
- (B) in respect of Collateral types B(ii) to (ix), (xi) and (xii) the Reference Price thereof;
- (C) in respect of Collateral types B(x) and C the value specified therein.

Margin

The Value of the Collateral delivered pursuant to Clause 6 by the Borrower to the Lender under the terms and conditions of this Agreement shall on each Business Day represent not less than the Value of the borrowed Securities **TOGETHER WITH** the following additional percentages hereinbefore referred to as ("the Margin") unless otherwise agreed between the Parties:-

- (i) in the case of Collateral types B(i) to (x) and D: %, (for Certificates of Deposit the Margin shall be the accumulated interest thereon); or
- (ii) in the case of Collateral types B(xi), (xii) and C : %

If the Value of the borrowed Securities includes any margin over the mid market price of the borrowed Securities this shall be taken into account in determining the Margin applicable.

Basis of Margin Maintenance

Clause 6(H) (transaction by transaction margining)*/Clause 6 (I)(global margining)* shall apply.

Clause 6(J) (netting of margin where one party both a Borrower and Lender) shall/shall not^{*} apply.

Minimum period after demand for transferring Cash Collateral or Equivalent Collateral:

BASE CURRENCY

The Base Currency applicable to this Agreement is

LENDER'S WARRANTIES

Clause 10(D) shall/shall not^{*} apply.

BORROWER'S WARRANTIES

Clause 11/(E) shall/shall not^{*} apply.

[NB^{*} Delete as appropriate.]

CHASE OVERSEAS SECURITIES LENDER'S AGREEMENT

APPENDIX - CSFB

The terms of this Appendix amend various of the provisions of the Overseas Securities Lender's Agreement entered into between the Parties (the "Agreement").

This Appendix supplements and forms part of the Agreement and accordingly the Appendix and Agreement shall be treated as one single agreement between the Parties.

Capitalised words in this Appendix bear the same meaning (save as otherwise amended herein) as in the Agreement.

1. Recital 1 on page 1 shall be replaced with the following:-

"From time to time the Parties hereto may enter into transactions in which one (the "Lender") agrees to lend to the other (the "Borrower") from time to time Securities (as hereinafter defined), subject to any Inland Revenue provisions then in force."

2. The following shall be inserted as Recital 3:-

"The Lender shall enter into loans of Securities as agent on behalf of third party beneficial owners and clause 14 shall take effect in accordance therewith."

3. The definition of "Collateral" shall be replaced with the following:-

"Collateral" shall mean, collectively, all cash, Approved Securities and Letters of Credit from time to time paid or delivered by the Borrower to the Lender pursuant to Clause 6 and shall include the certificates and other documents of or evidencing title and transfer with respect to the foregoing (as appropriate) and shall include Alternative Collateral. For the purposes of this definition a Letter of Credit shall mean an irrevocable letter of credit issued by a bank acceptable to the Lender for the account of the Borrower or any other person acceptable to the Lender and which contains such terms and provisions as are required by or acceptable to the Lender in its discretion. Approved Securities shall mean securities of such class or classes falling within Paragraph B of the Schedule hereto but only in so far as any such class has been designated by notice in writing given by the Lender to the Borrower from time to time hereafter as capable of being Approved Securities for the purposes of this Agreement and which are acceptable to the Lender for the purposes hereof in its sole discretion and such term shall include the certificates and other documents of or evidencing title and transfer with respect to such securities."

4. In clause 1(A) in the definition of "Equivalent Collateral" and "Equivalent Securities" the references to Clause 4(B)(vi) shall be amended so as to refer to clause 4(B)(vii).

5. The definition of "Securities" shall be replaced with the following:-

"Securities" means Overseas Securities as defined in paragraph 1(1) of Schedule 23A to the Income and Corporation Taxes Act 1988."

6. The following definitions shall be added to Clause 1 of the Agreement:-

"Relevant Bank" shall mean, with respect to any loan, a bank which has issued a Letter of Credit which, or a portion of which, is for the time being allocated as Collateral for such Loan;

"Relevant Organisation" shall mean any governmental agency, bureau, commission or department and any self-regulatory or other organisation concerned with dealings, and any association of dealers, in securities of any description;

7. Clause 4(B)(viii) shall be replaced by the following provisions (which shall take effect as sub-clauses (viii), (ix) and (x) respectively) and existing sub-clause (viii) of the Agreement shall be renumbered as sub-clause (xi):-

"(vii) any distribution of securities made in exchange for loaned Securities shall be considered as substituted for such loaned Securities and need not be delivered to the Lender until the relevant loan of Securities is terminated hereunder;

(ix) any distribution solely in the form of securities with respect to any loaned Securities shall be added to such loaned Securities (and shall constitute loaned Securities, and be part of the relevant loan of Securities, for all purposes hereof) and need not be delivered to the Lender until the relevant loan of Securities is terminated hereunder, if at or before the making of such distribution the Borrower shall have delivered such additional Collateral for the relevant loan to the Lender for the account of the relevant Principal as shall be necessary to make the aggregate of the Collateral for such Loan, determined on the date of such distribution, at least equal to the Margin with respect to such Loan (after giving effect to the addition of the securities being distributed) determined on such date; and

(x) any distributions of warrants or rights to purchase shares made with respect to any loaned Securities shall be deemed to be, and shall be, a new loan of Securities made to the Borrower by the Principal which loaned to the Borrower the loaned Securities with respect to which such distribution is made (and shall be treated as Securities, and as a separate Loan, for all purposes hereof) and need not be delivered to the Lender until such new loan is terminated in accordance herewith, if at or before the making of such distribution the Borrower and the Lender shall have agreed upon the Margin for such new loan and the Borrower shall have delivered to the Lender Collateral for such new Loan having a value reasonably acceptable to the Lender".

8. The following shall be substituted for clause 6(A)(i):-

"(A)(i) Unless the Parties agree otherwise and subject to sub-clauses (B), (C) and (E) below the Borrower agrees that, as a condition precedent to the making of any

Loan, it shall deliver Collateral to the Lender (or in accordance with the Lender's instructions) TOGETHER WITH appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Lender."

9. The words commencing "... unless in relation to ..." in the fifth line down in clause 6(G)(i) to the end of that clause shall, save for the final sentence, be deleted and the whole of clause 6(G)(ii) shall be deleted.

10. The following shall be inserted as clause 6(M):-

"(M) The delivery of a Letter of Credit shall be effected for the purposes of this Agreement by physical delivery of the original executed Letter of Credit by the issuing, confirming or advising bank to the Lender at its address for delivery of notices or as the Lender may otherwise agree, provided, however, that no such delivery shall be effective until one Business Day after the receipt of a Letter of Credit by the Lender (or, if the relevant Letter of Credit is received by the Lender prior to 3 p.m. (London time) on a Business Day, until 5.30 p.m. (London time) on such Business Day), during which period the Lender may reject such Letter of Credit, by oral notice to the Borrower, if such Letter of Credit is not in the form required by or acceptable to the Lender."

11. Clause 7B shall be amended as follows:-

(i) by the insertion of the following words at the end of the first sentence.-

"(and where there is a difference between the settlement time for sales and purchases on the relevant exchange or clearing organisation, the standard settlement time shall be the shorter of the two times)."

(ii) in the third sentence, by the insertion of the following words after "Simultaneously with the redelivery of the Equivalent Securities in accordance with such call,":-

"or at such other time as may be agreed by the Parties,"

12. The requirements pursuant to clause 9(B) shall not apply as between the Parties.

13. The following shall be inserted as clause 11(F):-

"(F) The Borrower has heretofore delivered to the Lender a copy of the annual [consolidated] financial statements of the Borrower [and its consolidated subsidiaries] for its [fiscal/financial] year ended [], 19[] duly audited by independent [certified public accountants/internationally recognised auditors], including a balance sheet as at the end of such [fiscal/financial] year [and the related statement of income and changes in financial position for such fiscal year], and a copy of the unaudited [consolidated] financial statements of the Borrower [and its consolidated subsidiaries] for the [] month period ended [], 19[] including a balance sheet as at the end of such period [and the related statement of income and changes in financial position for such period], and each of the said statements and related notes thereto are complete and correct and fairly present the [consolidated] financial condition and results of operation of the Borrower [and its consolidated subsidiaries] as at the said dates and for such

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periods, all in conformity with generally accepted accounting principles consistently applied;"

14. The following shall be inserted as Clause 11(G):-

"(G) it is an Approved Intermediary."

15. Clause 12 shall be amended as follows:-

(i) by the deletion of "or" at the end of Sub-clause (H);

(ii) in Sub-clause (I) by the deletion of all the words after "hereunder" and the substitution therefor of "and the Non-Defaulting Party serves written notice on the Defaulting Party";

(iii) by the addition of the following Sub-clauses:-

(J) a violation by the Borrower in connection with any Securities the subject of a loan hereunder or the holding or disposition thereof by the Borrower, of any applicable law, regulation or rule of any jurisdiction, or of any Relevant Organisation to the requirements of which the Borrower may be subject;

(K) the occurrence of any other event which the Borrower is required to notify to the Lender pursuant to Clause 27(B) hereof; or

(L) an Act of Insolvency occurring with respect to any Relevant Bank and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous officer of the Relevant Bank in which case no such notice shall be required) the Lender serves written notice on the Borrower."

16. The following shall take effect as clause 27 of the Agreement:-

"Covenants of the Borrower:

The Borrower hereby covenants and agrees with the Lender as follows:

(A) *The Borrower will furnish to the Lender (i) as soon as available and in any event within [] days after the end of each of its [fiscal/financial] years, a copy of the annual [consolidated] financial statements of the Borrower [and its consolidated subsidiaries] duly audited by independent [certified public accountants/internationally recognised auditors], including a balance sheet as at the end of such [fiscal/financial] year [and the related statement of income and changes in financial position for such fiscal year], prepared in accordance with generally accepted accounting principles consistently applied, (ii) as soon as available and in any event within [] days after the end of each of the first three quarters of each of its [fiscal/financial] years, a copy of the [consolidated] financial statements of the Borrower [and its consolidated subsidiaries] for the period then ended, including a balance sheet as at the end of such period [and the related statement of income and changes in financial position for such period], prepared in accordance with*

generally accepted accounting principles on a basis consistent with that used in the preparation of the financial statements referred to in sub-paragraph (i) above and certified by an appropriate officer of the Borrower, (iii) promptly after the occurrence of any default under this Agreement, a written notice setting forth the nature of such default and the steps being taken by the Borrower to remedy such default, and (iv) from time to time such further information (whether or not of the kind mentioned above) regarding the business, affairs and financial condition of the Borrower as the Lender may reasonably request.

- (B) The Borrower will give the Lender immediate notice if at any time any order, decree, determination or instruction is issued on the authority of any rule, regulation or proceeding of any Relevant Organisation in relation to the Borrower, or any litigation, arbitration or similar proceeding against or affecting the Borrower is commenced, which in any such case could have a material adverse effect on the ability of the Borrower to perform its obligations under this Agreement or to carry on its business as conducted as at the date of this Agreement or which might adversely affect the borrowing of securities by the Borrower. Any such notice shall set forth in reasonable detail a description of the event which has occurred and of the action, if any which the Borrower proposes to take with respect thereto."

17. The Schedule shall be deleted and replaced by the following:-

"Types

The following types of collateral shall unless otherwise agreed constitute Collateral acceptable under this Agreement:

- (i) US Government securities which shall mean book-entry securities issued by the U.S. Treasury (as defined in Subpart O of Treasury Department Circular No. 300 and any successor provisions) and any other securities issued or fully guaranteed by the United States government or any agent, instrumentality or establishment of the U.S. government, including without limitation, securities commonly known as "Ginnie Maes", Sally Maes" and "Freddie Maes".
- (ii) Letters of Credit;
- (iii) Cash Collateral.

Valuation of Collateral

Collateral provided in accordance with this Agreement shall be evaluated by reference to the following, or by such means as the Parties may from time to time agree:-

- (a) in respect of Collateral type (i) above, the Reference Price thereof;
- (b) in respect of Collateral type (ii) above, the value specified therein.

Margin

"The Value of the Collateral delivered pursuant to Clause 6 by the Borrower to the Lender under the terms and conditions of this Agreement shall on each Business Day represent not

less than 100% of the Value of the borrowed Securities, and otherwise as agreed between the Parties with respect to each loan".

Basis of Margin Maintenance

"Clause 6(H) (transaction by transaction margining) shall apply in lieu of Clause 6(I); however, the Lender shall have the right at its sole election, at any time from time to time, to allocate and/or reallocate any Collateral held by it hereunder to or among any outstanding loans.

Clause 6(J) (netting of Margin where one party both a Borrower and Lender) shall apply, notwithstanding that Clause 6(I) does not apply.

The minimum period after demand for transferring Cash Collateral or Equivalent Collateral shall be the same Business Day if demand is made before 11.00 am, and otherwise as agreed between the parties".

Base Currency

The Base Currency applicable to this Agreement is United States Dollars (US\$).

Lenders' Warranties

Clause 10(D) shall apply.

Borrowers' Warranties

Clause 11(E) shall apply."

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ISLA/OSLA (JPMORGAN VERSION) - GERMAN ADDENDUM

This Addendum is made the 21 day of March, 2002

BETWEEN

- (1) Credit Suisse First Boston (Europe) Limited ("the Borrower") and
- (2) JPMorgan Chase Bank, London branch, a member of the Securities and Futures Authority Limited acting as agent for various Lenders (as hereinafter defined) and not in its individual capacity, hereafter referred to as the ("Agent").

WHEREAS

- (A) The parties have executed an OSLA pursuant to which the Borrower is able to borrow Securities from Agent acting on behalf of certain Lenders. The Borrower now wishes to borrow Securities from Agent acting on behalf of certain German KAG Lenders, who are subject to certain statutory requirements as set out in the German Investment Fund Companies Act dated 9 September 1998 as amended (Kapitalanlagegesellschaftengesetz) and any regulations issued thereunder (the "Act").
- (B) The Borrower and Agent wish to record and reflect in an agreement between them, namely this Addendum, certain terms with the object of ensuring that lending on behalf of any of the KAG Lenders conform with the aforesaid statutory requirements.

NOW IT IS HEREBY AGREED AS FOLLOWS:

I. Definitions

Borrower and Agent agree that the following definitions shall, in respect of KAG Securities have the following meanings which shall supersede and replace those in the OSLA.

- (i) "Approved Securities" shall mean ECB Tier 1 Securities or such other securities as Agent shall from time to time notify Borrowers as being acceptable to the Agent.
- (ii) "Base Currency" shall mean Euro, unless the Agent shall notify the Borrower that any other currency is a Base Currency.
- (iii) "Cash Collateral" shall mean with respect to any Loan, the aggregate amount of Collateral in the form of cash applicable to a particular Loan being cash denominated in Euro, unless Agent shall notify Borrower that any other currency shall constitute acceptable Cash Collateral.
- (iv) "Collateral" shall mean only Cash Collateral (as defined herein) or those securities which constitute Approved Securities (as defined herein) delivered by the Borrower to the Agent under the OSLA for the purpose of securing redelivery of loaned Securities in connection with a particular Loan and shall include the certificates and other documents of or evidencing title and transfer with respect to the foregoing and shall include Alternative Collateral. For the avoidance of doubt, unless otherwise notified by Agent, Letters of Credit will not constitute acceptable Collateral in respect of Securities which are KAG Securities.
- (v) "KAG" shall mean an investment company which is subject to the Act as the same are identified on the list attached hereto which may be amended by Agent from time to time giving notice to Borrower.

(vi) "KAG Securities" shall mean such Securities each KAG shall have made available to Agent for the purpose of lending and which Agent identifies to Borrower as being available for Loans.

(vii) "Loan" shall mean a loan of KAG Securities as contemplated hereby.

2. Amendment to OSLA

This Addendum is an amendment to and supplements the Overseas Securities Lender's Agreement and JPMorgan Overseas Securities Lender's Agreement Appendix dated 23rd December 1998 (the "OSLA") between Borrower and Agent and shall apply and supersede the OSLA wherever Overseas Securities which are lent to the Borrower pursuant to OSLA consist of loaned Securities being lent by a KAG Lender. Terms not otherwise defined herein shall have the meanings ascribed thereto in the OSLA.

3. Information

Agent is authorised to disclose to any Lender such information regarding Borrower as Lender may reasonably request, including information in respect of any particular Loan and as to the identity and financial standing of Borrower.

4. Redelivery of Equivalent Securities and Collateral

Borrower agrees that it will redeliver Equivalent Securities and shall deliver Collateral including Additional Collateral to JPMorgan Chase Bank for the account of the relevant KAG Lender. Similarly, subject to clause 5 below, all Income will be paid to JPMorgan Chase Bank for the account of the KAG Lender.

5. Redelivery prior to Relevant Payment Date or exercise of voting rights

If requested by Agent, provided the request is made within sufficient time to enable Borrower to so do, Borrower shall prior to the Relevant Payment Date redeliver loaned Securities to the account of the KAG Lender as aforesaid if Agent shall so request to enable the relevant KAG Lender to receive any Income or exercise any voting rights.

6. Settlement timeframes

Borrower agrees that any deliveries by it of Collateral or Equivalent Collateral or any redeliveries by it of loaned Securities or Equivalent Securities shall be within such timeframes as Agent shall reasonably determine and notify to the Borrower having regard to the settlement timeframes then prevalent in the local market.

In witness whereof the parties execute this Addendum.

Signed by



For and on behalf of
JPMorgan Chase Bank

John Shellard, VP

Signed by



For and on behalf of
Credit Suisse First Boston (Europe) Limited

ANITA KIRSKA
VICE PRESIDENT
14.3.02

Ron Feldman
Vice President
14.3.02

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13-Mar.-98

MASTER OVERSEAS SECURITIES BORROWING AGREEMENT

DATED 15 March 1998

Between

CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED
as Borrower,

and

THE NORTHERN TRUST COMPANY,
As Agent and Fiduciary for Various Lenders

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THIS AGREEMENT is made the day of , 1998
BETWEEN:-

(1) **CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED**, a company incorporated under the laws of England and Wales (the "Borrower"), whose registered office is at One Cabot Square, London E14 4OJ England; and

(2) **THE NORTHERN TRUST COMPANY**, a corporation organised under the banking laws of the State of Illinois, United States of America, with its offices in the United Kingdom at 155 Bishopsgate, London EC2M 3XS England, as agent and fiduciary for various Lenders (the "Agent").

WHEREAS:-

1. From time to time the Parties hereto may enter into transactions in which the Agent, acting on behalf of the **Lenders** (as hereinafter defined), agrees to lend to the Borrower from time to time the Securities (as hereinafter defined), subject to any Inland Revenue provisions then in force.

2. All transactions carried out under this Agreement will be effected in accordance with the Rules (as hereinafter defined) **TOGETHER WITH** current market practices, customs and conventions.

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:-

1. **INTERPRETATION**

(A) In this Agreement:-

"Act of Insolvency" means in relation to either Party

(i) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with creditors, or

(ii) its admitting in writing that it is unable to pay its debts as they become due, or

(iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property, or;

(iv) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing;

(v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or

(vi) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the Insolvency Act 1986 (or any analogous proceeding);

"Agent" means the Party in the capacity referred to in Recital 1 of this Agreement;

"Alternative Collateral" means Collateral of a Value equal to the Collateral delivered pursuant to Clause 6 and provided by way of substitution for Collateral originally delivered or previously substituted in accordance with the provisions of Clauses 6(F) or 6(G);

"Appropriate Tax Vouchers" means:-

(i) either such tax vouchers and/or certificates as shall enable the recipient to claim and receive from any relevant tax authority in any jurisdiction, in respect of interest, dividends, distributions and/or other amounts (including for the avoidance of doubt any manufactured payment) relating to particular Securities, all and any repayment of tax or benefit of tax credit to which the Lender would have been entitled but for the loan of Securities in accordance with this Agreement and/or to which the Lender is entitled in respect of tax withheld and accounted for in respect of any manufactured payment; or such tax vouchers and/or certificates as are provided by the Borrower which evidence an amount of overseas tax deducted which shall

enable the recipient to claim and receive from any relevant tax authority all and any repayment of tax from the UK Inland Revenue or benefits of tax credit in the jurisdiction of the recipient's residence; and

(ii) such vouchers and/or certificates in respect of interest, dividends, distributions and/or other amounts relating to particular Collateral;

"Approved UK Collecting Agent" means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured overseas dividends;

"Approved Intermediary" means a person who is approved as such for the purposes of the Rules of the UK Inland Revenue relating to stocklending and manufactured interest and dividends;

"Assured Payment" means a payment obligation of a Settlement Bank arising (under the Assured Payment Agreement) as a result of a transfer of stock or other securities to a CGO stock account of a member of the CGO for whom that Settlement Bank is acting;

"Assured Payment Agreement" means an agreement dated 24 October 1986 between the Bank of England and all the other banks which are for the time being acting as Settlement Banks in relation to the CGO regulating the obligations of such banks to make payments in respect of transfers of securities through the CGO as supplemented and amended from time to time;

"Base Currency" has the meaning given in the Schedule hereto;

"Bid Price" in relation to Equivalent Securities or Equivalent Collateral means the best available bid price thereof on the most appropriate market in a standard size;

"Bid Value" Subject to Clause 8(E) means:-

(a) in relation to Equivalent Collateral at a particular time:-

(i) in relation to Collateral Types B(x) and C (more specifically referred to in the Schedule) the Value thereof as calculated in accordance with such Schedule;

(ii) in relation to all other types of Collateral (more specifically referred to in the Schedule) the amount which would be received on a sale of such Collateral at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection with selling or otherwise realising such Equivalent Collateral, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or realisation and adding thereto the amount of any Income declared or paid to the Agent on behalf of the Lender and in respect of which equivalent amounts have not been paid to the Borrower in accordance with Clause 6(G) prior to such time in respect of such Equivalent Collateral or the original Collateral held gross of all and any tax deducted or paid in respect thereof;

and

(b) in relation to Equivalent Securities at a particular time the amount which would be received on a sale of such Equivalent Securities at the Bid Price thereof at such time less all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

“Borrower”

means the person identified as such on page four of this Agreement;

“Borrowing Request”

means a request made (by telephone or otherwise) by the Borrower to the Agent pursuant to Clause 2(A) specifying the description, title and amount of the Securities required by the Borrower, the proposed Settlement Date and duration of such loan and the date, time, mode and place of delivery which shall, where relevant, include the bank agent clearing or settlement system and account to which delivery of the Securities is to be made;

“Business Day”

means a day on which banks and securities markets are open for business generally in London and, in relation to the delivery or redelivery of any of the following in relation to any loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered;

“Cash Collateral”	means Collateral that takes the form of a deposit of currency;
“Central Gilts Office” or “CGO”	means the computer based system managed by the Bank of England to facilitate the book-entry transfer of gilt-edged securities;
“CGO Collateral”	shall have the meaning specified in paragraph A of the Schedule;
“CGO Rules”	means the requirements of the CGO for the time being in force as defined in the membership agreement regulating membership of the CGO;
“Close of Business”	means the time at which banks close in the business centre in which payment is to be made or Collateral is to be delivered;
“Collateral”	means such securities or financial instruments or deposits of currency as are referred to in the Schedule hereto or any combination thereof which are delivered by the Borrower to the Agent in accordance with this Agreement and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate), and shall include Alternative Collateral;
“Defaulting Party”	shall have the meaning given in Clause 12;
“Equivalent Collateral” or “Collateral equivalent to”	in relation to any Collateral provided under this Agreement; means Collateral of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Collateral consists of securities that are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a take-over, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning: <p style="margin-left: 40px;">(a) in the case of conversion, subdivision or consolidation the securities into which the relevant Collateral has been converted, subdivided or consolidated PROVIDED THAT, if appropriate, notice has been given in accordance with Clause 4(B)(vii);</p>

(b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;

(c) in the case of a take-over, a sum of money or securities, being the consideration or alternative consideration of which the Borrower has given notice to the Agent in accordance with Clause 4(B)(vii);

(d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Borrower shall have paid to the Agent an amount of money equal to the sum due in respect of the call;

(e) in the case of a capitalisation issue, the relevant Collateral **TOGETHER WITH** the securities allotted by way of a bonus thereon;

(f) in the case of a rights issue, the relevant Collateral **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Borrower has given notice to the Agent in accordance with Clause 4(B)(vii), and has paid to the Agent all and any sums due in respect thereof;

(g) in the event that a payment or delivery of Income is made in respect of the relevant Collateral in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, **PROVIDED THAT** notice has been given to the ~~Borrower~~ ^{Agent} in accordance with Clause 4(B)(vii), the relevant Collateral **TOGETHER WITH** securities or a certificate equivalent to those allotted;

(h) in the case of any event similar to any of the foregoing, the relevant Collateral **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such Collateral resulting from such event;

For the avoidance of doubt, in the case of Bankers' Acceptances (Collateral type B(v)), Equivalent Collateral must bear dates, acceptances and endorsements (if any) by the same entities as the bill to which it is intended to be equivalent and for the purposes of this definition, securities

are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of evidencing title and transfer in respect of the foregoing (as appropriate);

“Equivalent Securities”

means securities of an identical type, nominal value, description and amount to particular Securities borrowed and such term shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate). If and to the extent that such Securities are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a take-over, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

(a) in the case of conversion, subdivision or consolidation the securities into which the borrowed Securities have been converted, ~~subdivided or consolidated~~ **PROVIDED THAT** if appropriate, notice has been given in accordance with Clause 4(B)(vii);

(b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;

(c) in the case of take-over, a sum of money or securities, being the consideration or alternative consideration of which the Agent has given notice to the Borrower in accordance with Clause 4(B)(vii);

(d) in the case of a call on partly paid securities, the paid-up securities **PROVIDED THAT** the Agent shall have paid to the Borrower an amount of money equal to the sum due in respect of the call;

(e) in the case of a capitalisation issue, the borrowed Securities **TOGETHER WITH** the securities allotted by way of a bonus thereon;

(f) in the case of a rights issue, the borrowed Securities **TOGETHER WITH** the securities allotted thereon, **PROVIDED THAT** the Agent has given notice to the Borrower in accordance with Clause 4(B)(vii), and has paid to the Borrower all and any sums due in respect thereof;

(g) in the event that a payment or delivery of Income is made in respect of the borrowed Securities in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, **PROVIDED THAT** notice has been given to the Borrower in accordance with Clause 4(B)(vii), the borrowed Securities **TOGETHER WITH** securities or a certificate equivalent to those allotted;

(h) in the case of any event similar to any of the foregoing, the borrowed Securities **TOGETHER WITH** or replaced by a sum of money or securities equivalent to that received in respect of such borrowed Securities resulting from such event;

For purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

“Event of Default”	has the meaning given in Clause 12;
“Income”	means any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;
“Income Payment Date”	with respect to any Securities or Collateral means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income;
“Lender”	means a principal for whom Agent acts under this Agreement; a beneficial owner of Securities;
“Manufactured Dividend”	shall have the meaning given in Clause 4(B)(ii);
“Margin”	shall have the meaning specified in the Schedule hereto;
“Nominee”	means an agent or a nominee appointed by either Party and approved (if appropriate) as such by the Inland Revenue to accept delivery of, hold or deliver Securities, Equivalent

Securities, Collateral and/or Equivalent Collateral on its behalf whose appointment has been notified to the other Party;

“Non-Defaulting Party”

shall have the meaning given in Clause 12;

“Offer Price”

in relation to Equivalent Securities or Equivalent Collateral means the best available offer price thereof on the most appropriate market in a standard size;

“Offer Value”

Subject to Clause 8(E) means:-

(a) in relation to Collateral equivalent to Collateral types B (ix) and C (more specifically referred to in the Schedule hereto) the Value thereof as calculated in accordance with such Schedule; and

(b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral (more specifically referred to in the Schedule hereto) the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof at such time together with all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

“Parties”

means the Agent, as principal only as to the warranty of Agent under sub-Clause 14(E), and otherwise solely as agent for the Lender, and the Borrower;

“Performance Date”

shall have the meaning given in Clause 8;

“Reference Price”

means:

(a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to types B (ii), (viii), (xi) and (xii) (more specifically referred to in the Schedule hereto) such price as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service (such as the services provided by Reuters, Extel Statistical Services and Telerate) reasonably chosen in good faith by the Agent or if unavailable the market value thereof as derived from the

prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Agent, in each case at Close of Business on the previous Business Day;

(b) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to Collateral types A and B(i) (more specifically referred to in the Schedule hereto), the CGO Reference Price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral then current as determined in accordance with the CGO Rules from time to time in force.

(c) in relation to the valuation of Collateral and/or Collateral equivalent to Collateral types B(iii), (iv), (v), (vi) (vii) and (ix), (more specifically referred to in the Schedule hereto), the market value thereof as derived from the rates bid by Barclays Bank PLC for such instruments or, in the absence of such a bid, the average of the rates bid by two leading market makers for such instruments at Close of Business on the previous Business Day;

“Relevant Payment Date” shall have the meaning given in Clause 4(B)(i);

“Rules” means the rules for the time being of the Stock Exchange (where either Party is a member of the Stock Exchange) and/or any other regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement including but not limited to the stocklending regulations and guidance notes relating to both stocklending and manufactured interest and dividends for the time being in force of the Commissioners of the Inland Revenue and any associated procedures required pursuant thereto (**PROVIDED THAT** in an Event of Default, where either Party is a member of the Stock Exchange, the Rules and Regulations of the Stock Exchange shall prevail);

“Securities” means Overseas Securities as defined in paragraph 1(1) of Schedule 23A to the Income and Corporation Taxes Act 1988 which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which are the subject of a loan pursuant to this Agreement and such term shall include the certificates and other documents of title in respect of the foregoing;

“Settlement Bank”	means a settlement member of the CHAPS and Town Clearing systems who has entered into contractual arrangements with the CGO to provide Assured Payment facilities for members of the CGO;
“Settlement Date”	means the date upon which Securities are or are to be transferred to the Borrower in accordance with this Agreement;
“Stock Exchange”	means the London Stock Exchange Limited;
“Value”	at any particular time means in respect of Securities and Equivalent Securities, the Reference Price thereof then current and in respect of Collateral and/or Equivalent Collateral such worth as determined in accordance with the Schedule hereto.

(B) All headings appear for convenience only and shall not affect the interpretation hereof.

(C) Notwithstanding the use of expressions such as “borrow”, “lend”, “Collateral”, “Margin”, “redeliver” etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities “borrowed” or “lent” and “Collateral” provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.

(D) For the purposes of Clauses 6(H)-6(K) and 8(C)-8(E) of this Agreement or otherwise where a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the spot rate of exchange at the relevant time in the London interbank market for the purchase of the Base Currency with the currency concerned.

(E) Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities, the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement and any outstanding loan entered into pursuant to such other agreement shall, as of the date hereof, be governed exclusively by this Agreement. For the avoidance of doubt, no agreement providing for the sale and repurchase of securities for cash consideration (a repurchase agreement) shall be deemed an agreement for the lending of Securities or other securities subject to the foregoing provision.

(F) Any reference in this Agreement to an act, regulation, or other legislation hereunder shall include a reference to any statutory modification or re-enactment thereof for the time being in force.

2. LOANS OF SECURITIES

(A) The Agent as agent of the Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender acting by the Agent, in accordance with the terms and conditions of this Agreement and with the Rules **PROVIDED ALWAYS THAT** the Agent shall have received from the Borrower and accepted (by whatever means) a Borrowing Request.

(B) The Borrower has the right to reduce the amount of Securities referred to in a Borrowing Request **PROVIDED THAT** the Borrower has notified the Agent of such reduction no later than midday London time on the day which is two Business Days prior to the Settlement Date unless otherwise agreed between the Parties and the Agent shall have accepted such reduction (by whatever means).

3. DELIVERY OF SECURITIES

The Agent on behalf of the Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant Borrowing Request **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Borrower. Such Securities shall be deemed to have been delivered to the Borrower on delivery to the Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or a clearing or settlement system on the effective instructions to such agent or the operator of such system to hold the Securities absolutely for the Borrower, or by such other means as may be agreed.

4. RIGHTS AND TITLE

(A) The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (i) any Securities borrowed pursuant to Clause 2;
- (ii) any Equivalent Securities redelivered pursuant to Clause 7;
- (iii) any Collateral delivered pursuant to Clause 6;
- (iv) any Equivalent Collateral redelivered pursuant to Clauses 6 or 7;

shall pass from the Lender to the Borrower or (as the case may be) from the Borrower to the Lender subject to the terms and conditions mentioned herein and in

accordance with the Rules, on delivery or redelivery of the same in accordance with this Agreement, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The person acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such person, such person shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

(B) (i) Where Income is paid in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan hereunder, the Borrower shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the "Relevant Payment Date") pay and deliver a sum of money or property equivalent to the same (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Agent or its Nominee, irrespective of whether the Borrower received the same. The provisions of sub-paragraphs (ii) to (v) below shall apply in relation thereto.

(ii) Subject to sub-paragraph (iii) below, in the case of any Income comprising a payment, the amount (the "**Manufactured Dividend**") payable by the Borrower shall be equal to the amount of the relevant Income together with an amount equivalent to any deduction, withholding or payment for or on account of tax made by the relevant issuer (or on its behalf) in respect of such Income together with an amount equal to any other tax credit associated with such Income unless a lesser amount is agreed between the Parties or an Appropriate Tax Voucher (together with any further amount which may be agreed between the Parties to be paid) is provided in lieu of such deduction, withholding tax credit or payment.

(iii) Where either the Borrower, or any person to whom the Borrower has on-lent the Securities, is unable to make payment of the Manufactured Dividend to the Agent without accounting to the Inland Revenue for any amount of relevant tax (as required by Schedule 23A to the Income and Corporation Taxes Act 1988) the Borrower shall pay to the Agent or its Nominee, in cash, the Manufactured Dividend less amounts equal to such tax. The Borrower shall at the same time if requested supply Appropriate Tax Vouchers to the Agent.

(iv) Unless otherwise agreed between the Parties as indicated in the Schedule to this Agreement, if at any time any Manufactured Dividend falls to be paid and neither of the Parties is an Approved UK Intermediary or an Approved UK Collecting Agent, the Borrower shall procure that the payment is paid through an Approved UK Intermediary or an Approved UK Collecting Agent agreed by the Parties for this purpose, unless the rate of relevant withholding tax in respect of any Income that would have been payable to the Agent but for the loan of the Securities would have been zero and no income tax liability

under Section 123 of the Income and Corporation Taxes Act 1988 would have arisen in respect thereof.

(v) In the event of the Borrower failing to remit either directly or by its Nominee any sum payable pursuant to this Clause, the Borrower hereby undertakes to pay a rate to the Agent (upon demand) on the amount due and outstanding at the rate provided for in Clause 13 hereof. Interest on such sum shall accrue daily commencing on and inclusive of the third Business Day after the Relevant Payment Date, unless otherwise agreed between the Parties.

(vi) Each Party hereby undertakes that where it holds securities of the same description as any securities borrowed or transferred to it by way of collateral at a time when a right to vote arises in respect of such securities, it will use its best endeavours to arrange for any voting rights attached to any borrowed Securities and/or Equivalent Securities held in respect thereof, or any Collateral and/or Equivalent Collateral held, to be exercised in accordance with the instructions of the Agent or Borrower (as the case may be) **PROVIDED ALWAYS THAT** each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable or as otherwise agreed between the Parties. For the avoidance of doubt the Parties agree that subject as hereinbefore provided any voting rights attaching to such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered or in the case of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral in bearer form, the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Agent (as the case may be).

(vii) Where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a take-over offer or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Agent or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.

(viii) Any payment to be made by the Borrower under this Clause shall be made in a manner to be agreed between the Parties.

5. RATES

(A) In respect of each loan of Securities, the Borrower shall pay to the Agent for the account of the Lender, in the manner prescribed in sub-Clause (C), sums calculated by

applying such rate as shall be agreed between the Parties from time to time to the daily Value of the relevant Securities.

(B) Where Cash Collateral is deposited with the Agent in respect of any loan of Securities in circumstances where:

(i) interest in respect of such Cash Collateral is earned by the Agent for the account of the Lender and that interest is paid to the Agent without deduction of tax, the Agent shall pay to the Borrower, in the manner prescribed in sub-Clause (C), an amount equal to the gross amount of such interest earned. Any such payment due to the Borrower may be set-off against any payment due to the Agent pursuant to sub-Clause (A) hereof if either the Borrower has warranted to the Agent in this Agreement that it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder or the Agent has notified the Borrower of the gross amount of such interest or income; and

(ii) sub-Clause (B)(i) above does not apply, the Agent shall pay to the Borrower, in the manner prescribed in sub-Clause (C), sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to the Borrower may be set-off against any payment due to the Agent pursuant to sub-Clause (A) hereof.

(C) In respect of each loan of Securities, the payments referred to in sub-Clauses (A) and (B) of this Clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Date and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Agent or to the Borrower by the Agent (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree. Any payment made pursuant to sub-Clauses (A) and (B) hereof shall be in such currency and shall be paid in such manner and at such place as shall be agreed between the Parties.

6. COLLATERAL

(A) (i) Subject to sub-Clauses (B), (C) and (E) below the Borrower undertakes to deliver Collateral to the Agent (or in accordance with the Agent's instructions) **TOGETHER WITH** appropriate instruments of transfer duly stamped where necessary and such other instruments as may be requisite to vest title thereto in the Agent on behalf of the Lender simultaneously with delivery of the borrowed Securities and in any event no later than Close of Business on the Settlement Date. Collateral may be provided in any of the forms specified in the Schedule hereto (as agreed between the Parties);

(ii) where Collateral is delivered to the Agent's Nominee (on behalf of the Lender) any obligation under this Agreement to redeliver or otherwise account for Equivalent Collateral shall be an obligation of the Lender notwithstanding that any such redelivery may be effected in any particular case by the Nominee.

(B) Where CGO Collateral is provided to the Agent or its Nominee (on behalf of the Lender) by member-to-member delivery or delivery-by-value in accordance with the provisions of the CGO Rules from time to time in force, the obligation of the Lender shall be to redeliver Equivalent Collateral through the CGO to the Borrower in accordance with this Agreement. Any references, (howsoever expressed) in this Agreement, the Rules, and/or any other agreement or communication between the Parties to an obligation to redeliver such Equivalent Collateral shall be construed accordingly. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, the Assured Payment obligation generated on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue daily where CGO Collateral is delivered-by-value for as long as the relevant loan remains outstanding.

(C) Where CGO Collateral or other collateral is provided by delivery-by-value to Agent or its Nominee in respect of more than one Lender, the Borrower may consolidate such Collateral to provide a single delivery to Agent or such Nominee.

(D) Where Collateral is provided by delivery-by-value through an alternative book entry transfer system, not being the CGO, the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which such Collateral was provided has not been discharged when the Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall be deemed to constitute a payment of money which shall be treated as Cash Collateral until the loan is discharged, or further Equivalent Collateral is provided later during that Business Day. This procedure shall continue when Collateral is delivered-by-value for as long as the relevant loan remains outstanding;

(E) Where Cash Collateral is provided the sum of money so deposited may be adjusted in accordance with Clause 6(H). Subject to Clause 6(H)(ii), the Cash Collateral shall be repaid at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered, and the Borrower shall not assign, charge, dispose of or otherwise deal with its rights in respect of the Cash Collateral. If the Borrower fails to comply with its obligations for such redelivery of Equivalent Securities the Agent shall have the right to apply the Cash Collateral by way of set-off on behalf of the Lender in accordance with Clause 8.

(F) The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to the Agent prior to the date on which the same would otherwise have been repayable or redeliverable **PROVIDED**

THAT at the time of such repayment or redelivery the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Agent.

(G) (i) Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable, the Borrower shall call for the redelivery of Collateral equivalent to such Collateral in good time to ensure that such Equivalent Collateral may be delivered prior to any such Income becoming payable to the Agent, unless in relation to such Collateral the Parties are satisfied before the relevant Collateral is transferred that no tax will be payable to the UK Inland Revenue under Schedule 23A of the Income and Corporation Taxes Act 1988. At the time of such redelivery the Borrower shall deliver Alternative Collateral acceptable to the Agent.

(ii) Where the Agent receives any Income in circumstances where the Parties are satisfied as set out in Clause 6(G)(i) above, then the Agent shall on the date on which the Agent receives such Income or on such date as the Parties may from time to time agree, pay and deliver a sum of money or property equivalent to such Income (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Borrower and shall supply Appropriate Tax Vouchers (if any) to the Borrower.

(H) Clauses 6(H) to (L) shall have effect for the purpose of ensuring that Collateral is, so far as is practicable, provided and held uniformly, as between the respective Lenders, in respect of all loans of Securities for the time being outstanding under this Agreement.

(I) At or as soon as practicable after the Agent's close of business on each Business Day on which loans are outstanding under this Agreement (or at such other times as the Parties may from time to time agree) the Agent shall effect such substitutions of Collateral as shall ensure that immediately thereafter the aggregate amount of Cash Collateral then payable, and the aggregate amount of the Equivalent Collateral of each description then deliverable, by the Borrower in respect of all loans of Securities then outstanding is allocated among the Applicable Lenders in proportion to the Value of the Equivalent Securities then deliverable by them under those loans.

(J) For the purposes of Clause 6(I) an "Applicable Lender," in relation to Collateral of any description, means any Lender other than a Lender with whom the Agent has agreed that Collateral of that description is not acceptable in respect of loans to that Lender.

(K) Substitutions effected under Clause 6(I) shall be effected (and if not so effected shall be deemed to have been effected) by appropriations made by the Agent and shall be reflected by entries in accounting and other records maintained by the Agent. Accordingly, it shall not be necessary for payments of cash or deliveries of Securities to be made through any settlement or clearance system for the purpose of such substitutions. Without limiting the generality of the foregoing, the Agent is hereby authorised and instructed by the Borrower to do all such things on behalf of the Borrower as may be necessary or expedient to effect and record the receipt on behalf of the Borrower or Securities and cash from, and

the delivery of Securities and cash on behalf of the Borrower to, Lenders in the course or for the purposes of any substitution of Collateral effected under that sub-clause.

(L) Promptly following the substitutions effected under sub-clause (I) above at the close of business on any Business Day, the Agent shall prepare a statement showing in respect of each loan then outstanding the amount of Cash Collateral owing by the Lender to the Borrower, and the amount of Equivalent Collateral of each description deliverable by the Lender to the Borrower, immediately after those substitutions. If the Borrower so requests, the Agent shall promptly deliver to the Borrower a copy of the statement so prepared; provided that the failure of the Borrower to request such statement shall not affect the obligations of the Agent to substitute in accordance with Clause 6(I).

(M) As used in this Clause 6(M), "**Required Collateral Value**" shall mean, as to any loan, the Value of the borrowed Securities plus the Margin applicable thereto. Subject to Clause 6(N) or unless otherwise agreed between the Parties:

(i) the aggregate Value of the Collateral delivered to or deposited with the Agent or its nominated bank or depository (excluding any Collateral repaid or redelivered under sub-Clauses (M)(ii) or (O)(ii) below (as the case may be) ("**Posted Collateral**") in respect of all loans of Securities outstanding under this Agreement shall equal the aggregate of the Required Collateral Values with respect to such loans;

(ii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Agent shall (on demand, within the time limits specified in the Schedule hereto) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess;

(iii) if at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand, within the time limits specified in the schedule hereto) provide such further Collateral to the Agent as will eliminate the deficiency.

(N) Where Clause 6(M) applies, if a Party (the "first Party") would, but for this Clause 6(N), be required under Clause 6(M) to repay Cash Collateral, redeliver Equivalent Securities or provide further Collateral in circumstances where the other Party (the "second Party") would, but for this Clause 6(N), also be required to repay Cash Collateral or provide or redeliver Equivalent Collateral under Clause 6(M), then the Value of the Cash Collateral or Equivalent Collateral deliverable by the first Party ("X") shall be set-off against the Value of the Cash Collateral, or Equivalent Collateral or further Collateral deliverable by the second Party ("Y") and the only obligation of the Parties under Clause 6(M) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party, to repay Cash Collateral, redeliver Equivalent Collateral or to deliver further Collateral having a Value equal to the difference between X and Y.

(O) Any Cash Collateral which is repaid, any Equivalent Collateral which is redelivered and any further Collateral which is provided by a Party under Clause 6(M) on any Business Day shall, pending the allocation of Collateral at the close of business on that Business Day through substitutions made under Clause 6(I), be allocated among the loans outstanding at the relevant time as follows:

(i) Cash Collateral which is repaid and Equivalent Collateral which is redelivered on the termination of a loan shall be attributed to that loan;

(ii) subject to (i) above, Cash Collateral which is repaid shall be attributed to those loans in respect of which Cash Collateral is held immediately before such repayment in proportion to the Cash Collateral so held;

(iii) subject to (i) above, Equivalent Collateral of any description which is redelivered shall be attributed to those loans in respect of which Equivalent Collateral of that description is outstanding immediately before such redelivery in proportion to the Equivalent Collateral outstanding;

(iv) additional Collateral which is received in respect of a new loan shall be attributed to that loan;

(v) subject to (iv) above, additional Collateral shall be attributed to the Applicable Lenders (as defined in Clause 6(J)) in proportion to the Value of the Equivalent Securities deliverable to them upon termination of the relevant loans.

7. REDELIVERY OF EQUIVALENT SECURITIES

(A) The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to borrowed Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.

(B) Subject to Clause 8 hereof and the terms of the relevant Borrowing Request, and except as provided in any Rider issued pursuant to Clause 26 hereof, the Agent may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Agent's instructions. Simultaneously with the redelivery of the Equivalent Securities in accordance with such call, the Agent shall (subject to Clause 6(M), if applicable) repay any Cash Collateral and redeliver to the Borrower Collateral equivalent to the Collateral

delivered pursuant to Clause 6 in respect of the borrowed Securities. For the avoidance of doubt any reference herein or in any other agreement or communication between the Parties (however expressed) to an obligation to redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.

(C) If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Agent may elect to continue the loan of Securities **PROVIDED THAT** if the Agent does not elect to continue the loan the Agent may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of Clauses (8) (B) to (F) shall apply as if upon the expiry of such notice an Event of Default had occurred in relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.

(D) In the event that as a result of the failure of the Borrower to redeliver Equivalent Securities to the Agent in accordance with this Agreement a "buy-in" is exercised against the Agent then provided that reasonable notice has been given to the Borrower of the likelihood of such a "buy-in", the Borrower shall account to the Agent for the total costs and expenses reasonably incurred by the Agent as a result of such "buy-in".

(E) Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Agent in accordance with the Agent's instructions. The Agent shall accept such redelivery and simultaneously therewith (subject to Clause 6(M) if applicable) shall repay to the Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by the Borrower pursuant to Clause 6 in respect thereof.

(F) Where a TALISMAN short term certificate (as described in paragraph C of the Schedule) is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the redelivery of the certificate to the Borrower or its expiry as provided for in the Rules applying to such certificate.

(G) Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by the Agent redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one loan, by the Agent consenting to a reduction in the value of the Letter of Credit.

8. SET-OFF ETC.

(A) On the date and time (the "**Performance Date**") that Equivalent Securities are required to be redelivered by the Borrower or the Agent on behalf of the Lender in accordance with the provisions of this Agreement the Agent shall simultaneously redeliver the Equivalent Collateral and repay any Cash Collateral held (in respect of the Equivalent Securities to be redelivered) to the Borrower. Neither Party shall be obliged to make

delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it simultaneously. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.

(B) If an Event of Default occurs in relation to the Borrower or the Lender, their respective delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "Performance Date" for the purposes of this clause) and in such event:

(i) the Relevant Value of the Securities to be delivered (or payment to be made, as the case may be) by each of the Borrower and the Lender shall be established in accordance with Clause 8(C); and

(ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Performance Date) of what is due from each of the Borrower and the Lender to the other and (on the basis that the claim of each against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one shall be set-off against the sums due from the other and only the balance of the account shall be payable (by whichever of the Borrower and the Lender has the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Performance Date.

(C) For the purposes of Clause 8(B) the Relevant Value:-

(i) of any cash payment obligation shall equal its par value (disregarding any amount taken into account under (ii) or (iii) below);

(ii) of any securities to be delivered by the Defaulting Party shall, subject to Clause 8(E) below, equal the Offer Value thereof; and

(iii) of any securities to be delivered to the Defaulting Party shall, subject to Clause 8(E) below, equal the Bid Value thereof.

(D) For the purposes of Clause 8(C), but subject to Clause 8(E) below, the Bid Value and Offer Value of any securities shall be calculated as at the Close of Business in the most appropriate market for securities of the relevant description (as determined by the Non-Defaulting Party) on the first Business Day following the Performance Date, or if the relevant Event of Default occurs outside the business hours of the relevant market, on the second Business Day following the Performance Date (the "Default Valuation Time");

(E) (i) Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the Default Valuation Time purchased securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party and in substantially the same amount as those securities or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party and in substantially the same amount as those securities, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall be treated as the Offer Value or Bid Value, as the case may be, of the relevant securities for the purposes of this Clause 8.

(ii) Where the amount of any securities sold or purchased as mentioned in (E)(i) above is not in substantially the same amount as those securities to be valued for the purposes Clause 8(C) the Offer Value or the Bid Value (as the case may be) of those securities shall be ascertained by dividing the net proceeds of sale or cost of purchase by the amount of the securities sold or purchased so as to obtain a net unit price and multiplying that net unit price by the amount of the securities to be valued.

(F) Any reference in this Clause 8 to securities shall include any asset other than cash provided by way of Collateral.

(G) If the Borrower or the Lender for any reason fail to comply with their respective obligations under Clauses 6(F) or 6(G) in respect of redelivery of Equivalent Collateral or repayment of Cash Collateral such failure shall be an Event of Default for the purposes of this Clause 8, and the person failing to comply shall thus be the Defaulting Party.

(H) Subject to and without prejudice to its rights under Clause 8(A) either Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment **PROVIDED THAT** no such waiver in respect of one transaction shall bind it in respect of any other transaction.

9. TAXATION

(A) The Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified the Agent against any liability arising in respect thereof as a result of the Borrower's failure to do so.

(B) A Party undertakes to notify the other Party if it becomes or ceases to be an Approved UK Intermediary or an Approved UK Collecting Agent.

10. LENDER'S WARRANTIES

Agent hereby warrants and undertakes to the Borrower as regards each Lender on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that:

- (A) it has taken all corporate action and obtained all necessary governmental, administrative and other approvals necessary to engage in the transactions contemplated by this Agreement and to perform its obligations under this Agreement;
- (B) it is not restricted under the terms of its constitution, by statute, rule or regulation or in any other manner from lending Securities to Borrowers in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full ownership of all Securities provided by it hereunder to the Borrower free from all liens, charges and encumbrances;
- (D) where the Schedule to this Agreement specifies that this Clause 10(D) applies, it is not resident in the United Kingdom for tax purposes and either is not carrying on a trade in the United Kingdom through a branch or agency or if it is carrying on such a trade the loan is not entered into in the course of the business of such branch or agency, and it has (i) delivered or caused to be delivered to the Borrower a duly completed and certified Certificate (MOD2) or a photocopy thereof bearing an Inland Revenue acknowledgment and unique number and such Certificate or photocopy remains valid or (ii) has taken all necessary steps to enable a specific authorisation to make gross payment of the Manufactured Dividend to be issued by the Inland Revenue;

11. **BORROWER'S WARRANTIES**

Borrower hereby warrants and undertakes to Agent, for its own benefit and that of each of the Lenders, on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that:

- (A) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (B) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (C) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to the Agent free from all liens, charges and encumbrances;
- (D) it is acting as principal in respect of this Agreement;

(E) where the Schedule to this Agreement specifies this Clause 11(E) applies, it is subject to tax in the United Kingdom under Case I of Schedule D in respect of any income arising pursuant to or in connection with the borrowing of Securities hereunder.

12. EVENTS OF DEFAULT

Each of the following events occurring in relation to either the Borrower or the Lender (the “**Defaulting Party**”, the other being the “**Non-Defaulting Party**”) shall be an Event of Default for the purpose of Clause 8:-

(A) the Borrower or Agent on behalf of the Lender failing to pay or repay Cash Collateral or deliver or redeliver Collateral or Equivalent Collateral upon the due date, and the Non-Defaulting Party serves written notice on the Defaulting Party;

(B) the Borrower or Agent on behalf of the Lender failing to comply with its obligations under Clause 6, and the Non-Defaulting Party serves written notice on the Defaulting Party;

(C) the Borrower failing to comply with Clause 4(B)(i), (ii) or (iii) hereof, and the Agent serves written notice on the Borrower;

(D) an Act of Insolvency occurring with respect to the Lender or the Borrower and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the Non-Defaulting Party serves written notice on the Defaulting Party;

(E) any representations or warranties made by the Agent on behalf of or with respect to the Lender or the Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the Non-Defaulting Party serves written notice on the Defaulting Party;

(F) the Lender or the Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations hereunder and/or in respect of any loan hereunder, and the Non-Defaulting Party serves written notice on the Defaulting Party;

(G) the Lender (if appropriate) or the Borrower being declared in default by the appropriate authority under the Rules or being suspended or expelled from membership of or participation in any securities exchange or association or other self-regulatory organisation, or suspended from dealing in securities by any government agency, and the Non-Defaulting Party serves written notice on the Defaulting Party;

(H) any of the assets of the Lender or the Borrower or the assets of investors held by or to the order of the Lender or the Borrower being transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the Non-Defaulting Party serves written notice on the Defaulting Party, or

(I) the Lender or the Borrower failing to perform any other of its obligations hereunder and not remedying such failure within 10 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure, and the Non-Defaulting Party serves a further written notice on the Defaulting Party.

The Borrower shall notify the other if an Event of Default occurs in relation to it. The Agent shall notify the Borrower if it becomes aware that an Event of Default has occurred with respect to any Lender, but shall have no duty to determine whether an Event of Default has occurred with respect to any Lender until it has been given actual notice thereof.

13. OUTSTANDING PAYMENTS

In the event of either Party failing to remit either directly or by its Nominee sums in accordance with this Agreement such Party hereby undertakes to pay a rate to the other Party upon demand on the net balance due and outstanding of 1% above the Barclays Bank PLC base rate from time to time in force.

14. TRANSACTIONS ENTERED INTO AS AGENT

(A) All loans hereunder shall be entered into by Agent as agent for one or more Lenders, whether as custodian or investment manager or otherwise, provided that any loan entered into on behalf of more than one Lender shall be deemed to consist of separate loans made by each Lender.

(B) With respect to each loan hereunder, Agent shall disclose the identity of the Lender thereof to the Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Lender) before the close of the Business Day next following the date on which it enters into the loan.

(C) (i) The Agent and the Borrower each undertake that forthwith upon becoming aware of any event which constitutes an Act of Insolvency with respect to the relevant Lender, it will inform the other party of that fact.

(ii) The Agent undertakes that forthwith upon becoming aware of any breach of any of the Warranties given in Clause 14(E) below or any event or circumstance which has the result that any such warranty would be untrue by reference to the current facts, it will inform the Borrower of that fact and will furnish the Borrower with such additional information as the Borrower may reasonably request.

(D) (i) Each loan hereunder shall be a transaction between the Lender and the Borrower and no person other than the Lender and the Borrower shall be a party to or have any rights or obligations under such loan. Without limiting the foregoing, the Agent shall not be liable as principal for the performance of any loan under this Agreement or for

breach of any warranty contained in Clauses 10(A), 10(B), 10(C) or 10(D) or 11(E) of this Agreement, but this is without prejudice to any liability of the Agent under any other provision of this Clause.

(ii) Except where expressly otherwise provided, all the provisions of this Agreement shall apply separately as between the Borrower and each Lender in respect of loans of Securities by that Lender.

PROVIDED THAT

(i) if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if the Borrower served written notice under any sub-Clause of Clause 12, the Borrower shall be entitled by giving written notice to any Lender (which notice shall be validly given if given to the Agent in accordance with Clause 21) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Lender. If the Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Lender at the time when the notice is deemed to be given; and

(ii) any Lender which is neither incorporated in nor has established a place of business in Great Britain shall be deemed to have been appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in the United Kingdom, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Lender may from time to time specify in a written notice given to the other party.

(E) The Agent warrants to the Borrower that it will, on every occasion on which it enters or purports to enter into a loan, have been duly authorised to enter into that loan and perform the obligations arising thereunder on behalf of the person whom it specifies as the Lender in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in (D)(ii).

15. BORROWER'S FINANCIAL CONDITION

Borrower has delivered to Agent its most recent annual audited accounts. Borrower represents that the accounts delivered by it fairly represent its financial condition as of the date of such accounts. Borrower also represents that there has been no material adverse change in its financial condition since that date. Borrower agrees promptly to deliver to Agent all annual audited accounts subsequently available to the public and covenants that such accounts shall fairly represent its financial condition as of the date thereof. At and as of each date on which Agent shall have accepted a Borrowing Request and any Settlement Date of a loan hereunder, Borrower shall be deemed to represent that there has, as of each such date, been no material adverse change in its financial condition (as represented by its most recently delivered annual audited accounts) on or as of either such date.

16. **TERMINATION OF COURSE OF DEALINGS BY NOTICE**

Each Party shall have the right to bring the course of dealing contemplated under this Agreement to an end by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all loans and which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement and with the Rules.

17. **GOVERNING PRACTICES**

The Borrower and Agent shall each use its best endeavours to notify the other (in writing) of any changes in legislation or practices governing or affecting such party's rights or obligations under this Agreement or the treatment of transactions effected pursuant to or contemplated by this Agreement.

18. **OBSERVANCE OF PROCEDURES**

Each of the Parties hereto agrees that in taking any action that may be required in accordance with this Agreement it shall observe strictly the procedures and timetable applied by the Rules and, further, shall observe strictly any agreement (oral or otherwise) as to the time for delivery or redelivery of any money, Securities, Equivalent Securities, Collateral or Equivalent Collateral entered into pursuant to this Agreement.

19. **SEVERANCE**

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the Parties with respect to that severed provision.

20. **SPECIFIC PERFORMANCE**

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

21. **NOTICES**

All notices issued under this Agreement shall be in writing (which shall include telex or facsimile messages) and shall be deemed validly delivered if sent by prepaid first class post to or left at the addresses or sent to the telex or facsimile number of the Parties respectively or such other addresses or telex or facsimile numbers as each Party may notify in writing to the other.

22. **ASSIGNMENT**

Neither Party may charge assign or transfer all or any of its rights or obligations hereunder without the prior consent of the other Party.

23. **NON-WAIVER**

No failure or delay by either Party to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

24. **RECORDING**

The Parties agree that each may electronically record all telephonic conversations between them.

25. **TIME**

Time shall be of the essence of this Agreement.

26. **RIDERS**

Agent may deliver to Borrower one or more Riders to this Agreement. The purpose of a Rider is to modify this Agreement to take account of laws, rules, regulations, customs or practices relating to securities transactions applicable to exchanges, markets or clearing organizations in the country or countries specified in the Rider (the "Countries"). Each Rider shall apply only to the types of securities there specified and only to transactions in those securities taking place in the Countries. Agent may by a later notice or Rider revoke or amend any Rider previously issued. As to matters within its scope, the terms of each Rider shall prevail over inconsistent provisions in this Agreement or previous Riders. Effective upon the date of issuance of a Rider, the Rider shall become a part of this Agreement as if its terms were specifically stated herein, without the execution of any further document, except that at Agent's request Borrower shall acknowledge receipt of any Rider, and except further that the Rider shall not apply to loans hereunder outstanding on the date of its issuance if the Borrower redelivers the borrowed Securities in conformity with Clause 7 before such date or within the standard settlement time applicable to the Securities after the date of the Borrower's receipt of the Rider (or within such other time period as may be agreed to by the Parties).

27. **DISCLOSURE AND CONFIDENTIALITY**

(A) Agent shall initially supply Borrower with a list, dated as of the last day of the previous calendar quarter, of the names of the Lenders (as hereinabove defined). Agent

shall substitute an updated list quarterly as of the end of each calendar quarter, and shall report interim changes on a current basis. Each list furnished hereunder shall be complete and accurate as of the date it bears. As used in this Clause 27, "**Information**" includes the names of the Lenders disclosed to the Borrower during the term of this Agreement, any and all documents containing the Information and the fact that Agent is the agent of the Lenders.

(B) The Borrower shall (1) hold in strictest confidence (i) the Information and the fact that it has the Information, (ii) this Clause 27 of the Agreement and its contents, and (iii) any and all decisions the Borrower may make concerning the volume, selection or timing of present or future securities loans under this Agreement as a result of its access to the Information and not disclose any of the foregoing to any third person, **including any parent, subsidiary or corporate affiliate of the Borrower**, unless (a) pursuant to court order or valid process or (b) with the prior express written permission of Agent; (2) not use the Information for any purpose other than credit analysis of the Lenders; and (3) take all reasonable steps to safeguard the Information and prevent its unauthorized disclosure, including maintaining adequate security of documents, files, computers, tapes, etc. containing the Information, minimizing the duplication of the documents containing the Information, limiting disclosure of the Information to the minimum number of officers and employees of the Borrower required to have such access for a permitted purpose and taking adequate measures to assure that each such person observes the requirements of this Clause 27. Notwithstanding the foregoing, Borrower may disclose Information to any affiliated company who regularly performs credit analyses for the Borrower, provided such affiliate first executes a written agreement with Agent substantially similar in content and form to this Clause 27.

(C) The Borrower shall indemnify and hold harmless Agent, in its individual, corporate and fiduciary capacities, and its officers, employees and agents, from any and all liability, loss, cost or expense (including attorneys' fees in a reasonable amount) that it or any of them may incur as a result of or arising from any breach by the Borrower of this Clause 27, except to the extent that such liability, loss, cost or expense is incurred as a result of willful default or misconduct, negligence or bad faith of Agent or any of its personnel or agents. This indemnification shall survive the termination of this Agreement. In addition, Agent may use any equitable remedy it deems appropriate to enjoin an actual or threatened violation by the Borrower of this Clause 27.

(D) This Clause 27 may be terminated by either party prior to termination of the Agreement by notice to the other party, but in any event shall terminate automatically upon termination of the Agreement. Upon termination hereof, the Borrower shall delete any of the Information in its computer memories to the extent possible and deliver to Agent all documents containing the Information, including notes, tapes and storage discs, but the Borrower shall continue to comply with the nondisclosure requirements of this Clause 27 notwithstanding such termination. Agent shall retain all Information for any period requested by the Borrower.

28. **FACILITATING AGENT**

Notwithstanding anything to the contrary contained in this Agreement or any other agreements or instruments delivered in connection with any loan of securities hereunder, if CREDIT SUISSE FIRST BOSTON CORPORATION acts as facilitating agent for the Borrower with respect to any transaction hereunder, the fact that it acts as facilitating agent for the Borrower shall be stated in the confirmation relating to that transaction and the following terms and conditions shall apply to such transaction:

(i) CREDIT SUISSE FIRST BOSTON CORPORATION, as a broker-dealer registered with the U.S. Securities and Exchange Commission ("SEC"), will arrange such transaction, as facilitating agent for each of Lender and Borrower. As facilitating agent for the Borrower, CREDIT SUISSE FIRST BOSTON CORPORATION will be responsible for (i) effecting and settling such transaction on behalf of the Borrower, (ii) issuing all required confirmations and statements to Lender and Borrower in compliance with Rule 15c3-1 under the Securities Exchange Act of 1934 (the "Exchange Act"), (iii) maintaining books and records relating to such transaction as required by Rules 17a-3 and 17a-4 under the Exchange Act, and (iv) if requested by Borrower, receiving, delivering, and safeguarding such Party's funds and securities in connection with such transaction in compliance with Rule 15C3-3 under the Exchange Act. Notwithstanding the foregoing, the Parties agree that CREDIT SUISSE FIRST BOSTON CORPORATION shall not be deemed by virtue of its role as facilitating agent hereunder to be assuming the obligations of Borrower under this Agreement other than any obligations it performs for the Borrower as such facilitating agent.

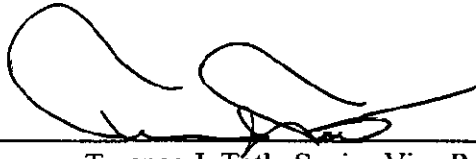
(ii) CREDIT SUISSE FIRST BOSTON CORPORATION is participating in such transaction solely as facilitating agent for the Borrower. Except as hereinbelow provided in the case of its negligence or willful defaults in the performance of its duties as such facilitating agent, (a) CREDIT SUISSE FIRST BOSTON CORPORATION shall have no responsibility or personal liability to Agent, Lender or Borrower to pay or perform any obligations hereunder, or to monitor or enforce compliance by Agent, Lender or Borrower with any obligation hereunder, including, without limitation, any obligation to maintain margin; and (b) each of Agent, Lender and Borrower agrees to proceed solely against the other to collect or recover any securities or moneys or other damages owing to it in connection with or as result of such transaction or otherwise hereunder for all obligations of the Borrower other than those performed by the facilitating agent. CREDIT SUISSE FIRST BOSTON CORPORATION shall otherwise have no liability in respect of this Agreement or such transaction except only for its negligence or willful misconduct, or its failure to comply with applicable U.S. securities laws and regulations, in performing its duties as facilitating agent hereunder; provided that nothing in this Clause 28 shall in any way alter or diminish the duties of Borrower under this Agreement.

29. **GOVERNING LAW**

This Agreement is governed by, and shall be construed in accordance with, English Law.

IN WITNESS WHEREOF this Agreement has been executed on behalf of the Parties hereto the day and year first before written.

SIGNED BY

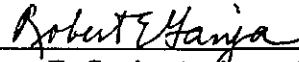


Terence J. Toth, Senior Vice President

ON BEHALF OF

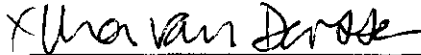
THE NORTHERN TRUST COMPANY,
As Agent as aforesaid

IN THE PRESENCE OF:



Robert E. Ganja, Assistant Secretary

SIGNED BY



Printed Name: UVA VAN DORSSSEN

Title: ATTORNEY-IN-FACT

ON BEHALF OF
LIMITED

CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED

IN THE PRESENCE OF:



Printed Name: Michael Pringle
Attorney-in-Fact

Title: _____

SCHEDULE

COLLATERAL:

Types

Collateral acceptable under this Agreement may include the following or otherwise, as agreed between the Parties from time to time, whether transferable by hand or within a depository:-

A. British Government Stock and other stock registered at the Bank of England which is transferable through the CGO to the Agent or its Nominee against an Assured Payment, hereinbefore referred to as CGO Collateral.

B. (i) British Government Stock and Sterling Issues by foreign governments (transferable through the CGO), in the form of an enfaced transfer deed or a long term collateral certificate or overnight collateral chit issued by the CGO accompanied (in each case) by an executed unenfaced transfer deed;

(ii) Corporation and Commonwealth Stock in the form of registered stock or allotment letters duly renounced;

(iii) U.K. Government Treasury Bills;

(iv) U.S. Government Treasury Bills;

(v) Bankers' Acceptances;

(vi) Sterling Certificates of Deposit;

(vii) Foreign Currency Certificates of Deposit;

(viii) Local Authority Bonds;

(ix) Local Authority Bills;

(x) Letters of Credit;

(xi) Bonds or Equities in registrable form or allotment letters duly renounced;

(xii) Bonds or Equities in bearer form.

C. Unexpired TALISMAN short-term certificates issued by The Stock Exchange; and

D. Cash Collateral.

E. Local Variations. The parties acknowledge and agree that when the Collateral comprises Bonds or Equities issued by a resident of Japan and held in a Japanese depository, or in the case of Japanese Government Bonds, held directly or indirectly by the Bank of Japan, the delivery of such Collateral to the Agent shall be regarded as a loan for consumption (*shohi taishaku*) for the purposes of Japanese securities transaction tax.

Valuation of Collateral

Collateral provided in accordance with this Agreement shall be evaluated by reference to the following, or by such means as the Parties may from time to time agree:-

- (A) in respect of Collateral types A and B(i), the current CGO value calculated by reference to the middle market price of each stock as determined daily by the Bank of England, adjusted to include the accumulated interest thereon (the CGO Reference Price);
- (B) in respect of Collateral types B(ii) to (ix), (xi) and (xii) the Reference Price thereof;
- (C) in respect of Collateral types B(x) and C the value specified therein.

Margin

The Value of the Collateral delivered pursuant to Clause 6 by the Borrower to the Agent under the terms and conditions of this Agreement shall on each Business Day represent not less than the Value of the borrowed Securities **TOGETHER WITH** the following additional percentages hereinbefore referred to as ("the Margin") unless otherwise agreed between the Parties:-

- (i) in the case of Collateral types A, B(i) to (x) and D: 5%, (for Certificates of Deposit the Margin shall be the accumulated interest thereon); or
- (ii) in the case of Collateral types B(xi), (xii) and C: 5%

If the Value of the borrowed Securities includes any margin over the mid market price of the borrowed Securities this shall be taken into account in determining the Margin applicable.

Basis of Margin Maintenance

Minimum period after demand for transferring Cash Collateral or Equivalent Collateral: If relevant demand is made prior to 10:00 a.m. London time on a Business Day, delivery or redelivery of Equivalent Collateral or delivery of further Collateral shall be made no later than Close of Business on that day; otherwise no later than Close of Business on the next Business Day, unless otherwise agreed.

BASE CURRENCY: The Base Currency applicable to this Agreement is Great Britain Pounds.

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65 FLEET STREET LONDON EC4Y 1HS
TELEPHONE 0171 936 4000 FAX 0171 832 7001 TELEX 889292 LDE NO. 23
ISDN G4 FAX 0171 936 3960

DIRECT DIAL 0171 832 7102
OUR REFERENCE GWM/MIR
YOUR REFERENCE
DOC ID FW963270.040/8+

The Northern Trust Company
155 Bishopsgate
London
EC2M 3XS

10 April 1997

Dear Sirs

MASTER OVERSEAS SECURITIES BORROWING AGREEMENT

Introduction

1. We have been requested to provide an opinion to you on the Master Overseas Securities Borrowing Agreement in the form attached to this opinion (the *Agreement*) which we understand you propose to enter into with borrowers from time to time.
2. In connection with this opinion, we have examined a facsimile copy of a letter of advice dated 25 November 1996 from Jeremy Pitts and Naoki Eguchi of Tokyo Aoyama Law Office Baker & Mackenzie, Tokyo to John J Conroy Jr of Baker & Mackenzie, Chicago relating to the taking of collateral by Northern Trust Company over uncertificated equity securities and Japanese Government Bonds under the Master Overseas Securities Borrowing (Agency) Agreement (the *Japanese advice*). We have not examined the Master Overseas Securities Borrowing (Agency) Agreement referred to in the Japanese advice or the two memoranda referred to in the first paragraph of the Japanese advice.
3. Terms defined in the Agreement have the same meaning in this opinion.
4. This opinion is confined to matters of English law. Accordingly, we express no opinion herein with regard to any system of law other than the laws of England as currently applied by the English courts. In particular, we express no opinion on European Community law as it affects any jurisdiction other than England. This opinion is to be governed by and construed in accordance with English law as at the date of this opinion. To the extent that the laws of the United States of America,

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the State of Illinois or Japan may be relevant, we have made no independent investigation thereof and our opinion is subject to the effect of such laws.

Assumptions

5. In considering the Agreement and in rendering this opinion we have with your consent and without any further enquiry assumed that -

- (a) the Borrower and each Lender is a company incorporated in England or is a company incorporated or organised under the laws of another jurisdiction with a branch in England;
- (b) the Borrower, the Agent and each Lender has all requisite capacity and corporate power to execute, deliver and perform its obligations under the Agreement and the Borrower, the Agent and each Lender has taken all necessary steps to execute, deliver and perform the Agreement and all transactions carried out under the Agreement;
- (c) the Agent has been authorised by each Lender to enter into the Agreement and all transactions under the Agreement and to perform all of the relevant Lender's obligations under the Agreement and the Agent is not acting in breach of any restriction on its authority;
- (d) the Agreement has been duly authorised, executed and delivered by the Borrower, the Agent and each Lender in accordance with all applicable laws;
- (e) the directors or other officers of the Borrower, the Agent and each Lender in authorising execution of the Agreement have exercised their powers in accordance with their duties under all applicable laws and the Memorandum and Articles of Association or other constitutional documents of the Borrower, the Agent or, as the case may be, the relevant Lender;
- (f) the Agreement constitutes legal, valid and binding obligations of the Borrower, the Agent and each Lender enforceable under all applicable laws (other than the laws of England);
- (g) the Borrower and the Agent have entered into an agreement in the form of the Agreement and none of the terms of the Agreement has been varied, waived or discharged and transactions have been or will be entered into as specified in the Agreement;
- (h) the Agreement has been entered into for bona fide commercial reasons and on arms' length terms by the Borrower, the Agent and each Lender;

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- (i) the Agreement and all transactions carried out under the Agreement are entered into prior to the formal commencement of insolvency proceedings against the Borrower, the Agent and each Lender;
- (j) at the time at which a transaction is entered into under the Agreement, none of the Borrower, the Agent or Lenders has actual notice of the insolvency of the Borrower, the Agent or, as the case may be, the relevant Lender; and
- (k) there are no material differences between the Agreement and the Master Overseas Securities Borrowing (Agency) Agreement referred to in the Japanese advice.

Opinion

6. On the basis of, and subject to, the foregoing and the matters set out in paragraphs 7 and 8 below and any matters not disclosed to us, and having regard to such considerations of English law in force as at the date of this letter as we consider relevant, we are of the opinion that -

- (a) the obligations of the Borrower, the Agent and each Lender under the Agreement constitute legal, valid and binding obligations of the Borrower, the Agent and that Lender enforceable by the Borrower or, as the case may be, the Agent on behalf of the relevant Lender;
- (b) if an Event of Default has occurred, either because of an Act of Insolvency in respect of a Borrower or a Lender incorporated in or with a branch in or established in England or following any other default by that Borrower or Lender, the set-off provisions of Clause 8 would be effective and will create an obligation on the part of the Borrower or the Lender to pay a single net amount in the Base Currency in respect of all transactions carried out under the Agreement between the Borrower and the Agent acting as agent for that Lender in isolation from other transactions between the Borrower and the Agent, since they produce a result which does not discriminate against the defaulter and which is close to the result that would follow if there were no provisions on the lines of Clause 8 as a result of Rule 4.90 of the Insolvency Rules 1986;
- (c) the choice of English law to govern the Agreement will be recognised and upheld by the English courts;
- (d) the conversion of any cash payment obligation into the Base Currency would be valid under the laws of England and such a provision is not inconsistent with English public policy; and

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- (e) the provisions of Clause 8 would be upheld notwithstanding that the Relevant Value may be calculated as late as close of business on the second dealing day in the appropriate market after the Performance Date.

Qualifications

- 7. Our opinion is subject to the following qualifications -
 - (a) the choice of English law to govern the Agreement would not be recognised or upheld if there were reasons for avoiding the choice of law on the grounds that its application would be manifestly incompatible with public policy. The choice of English law would not be upheld, for example, if it was made with the intention of evading the law of the jurisdiction with which the contract had its most substantial connection and which, in the absence of English law, would have invalidated the contract or been inconsistent therewith;
 - (b) English courts can give judgments in currencies other than sterling if, subject to the terms of the contract, it is the currency which most fairly expresses the plaintiff's loss but such judgments may be required to be converted into sterling for enforcement purposes;
 - (c) an English court has power to stay an action where it is shown that there is some other forum, having competent jurisdiction, which is more appropriate for the trial of the action, that is in which the case can be tried more suitably for the interests of all the parties and the ends of justice, and where staying the action is not inconsistent with the EEC Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters of 1968 (as amended) as applied by virtue of the Civil Jurisdiction and Judgments Act 1982 (as amended) and subordinate legislation made thereunder or with the Lugano Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters of 1988 as applied by virtue of the Civil Jurisdiction and Judgments Act 1991;
 - (d) under the rules of procedure applicable, an English court may, at its discretion, order a plaintiff in an action, being a party who is not ordinarily resident in some part of the United Kingdom, to provide security for costs;
 - (e) a determination, designation, calculation or certificate of any party as to any matter provided for in the Agreement might, in certain circumstances, be held by an English court not to be final, conclusive and binding (for example, if it could be shown to have an unreasonable or arbitrary basis or not to have been reached in good faith) notwithstanding the provisions of the Agreement;

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- (f) any undertakings or indemnities in relation to United Kingdom stamp duties given by a party may be void under the provisions of Section 117 of the Stamp Act 1891;
- (g) Clauses 4(B)(v) and 13 of the Agreement would be unenforceable if the provisions of those clauses were held to constitute a penalty and not a genuine and reasonable pre-estimate of the loss likely to be suffered as a result of the default in payment of the amount in question. We express no opinion on whether any such provision does constitute such a genuine and reasonable pre-estimate;
- (h) in some circumstances an English court would not give effect to Clause 19 of the Agreement, in particular if to do so would not accord with public policy or would involve the court in making a new contract for the parties;
- (i) an English court may refuse to give effect to any provision in an agreement (i) for the payment of expenses in respect of the costs of enforcement (actual or contemplated) or of unsuccessful litigation brought before an English court or where the court has itself made an order for costs or (ii) which would involve the enforcement of foreign revenue or penal laws;
- (j) the term "enforceable" as used in this opinion means that the obligations assumed by the relevant party under the relevant document are of the type which the English courts enforce. This opinion is not to be taken to imply that any obligation would necessarily be capable of enforcement in all circumstances in accordance with its terms. In particular:
- (i) an English court will not necessarily grant any remedy the availability of which is subject to equitable considerations or which is otherwise in the discretion of the court. In particular, orders for specific performance and injunctions are, in general, discretionary remedies under English law and specific performance is not available where damages are considered by the court to be an adequate alternative remedy;
 - (ii) claims may become barred under the Limitation Act 1980 or the Foreign Limitation Periods Act 1984 or may be or become subject to the defence of set-off or to counterclaim;
 - (iii) where obligations are to be performed in a jurisdiction outside England, they may not be enforceable in England to the extent that performance would be illegal under the laws, or contrary to the exchange control regulations, of the other jurisdiction; and

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- (iv) the enforcement of obligations may be limited by the provisions of English law applicable to agreements held to have been frustrated by events happening after their execution;
- (k) this opinion is subject to all applicable laws relating to insolvency, bankruptcy, administration, reorganisation, liquidation or analogous circumstances. In particular, Rule 4.91 of the Insolvency Rules 1986 requires claims in a foreign currency to be converted into sterling at the official exchange rate on the date of liquidation. Conversion under the close-out procedures of the Agreement will not necessarily take place on this date but will take place at the relevant valuation time. We do not consider that this would be challenged (although there is some doubt about the position) since currency conversion is simply part of arriving at a net debt which may be in sterling (in which case proof will be made without resort to Rule 4.91) or in foreign currency, in which case Rule 4.91 will apply to require conversion into sterling. As regards Rule 4.90 of the Insolvency Rules 1986, for the reasons explained in paragraph 6(b) above, we do not consider that Rule 4.90 would be held to invalidate Clause 8 of the Agreement; if, contrary to our view, Rule 4.90 were held to override Clause 8, the obligations of the Borrower and the Lender would still be assessed on a net basis by virtue of the mandatory set-off imposed by that Rule.

Observations

8. We should also like to make the following observations:
- (a) we express no view on any provision requiring written amendments or waivers in so far as such provision suggests that oral or other modifications, amendments or waivers could not be effectively agreed upon or granted by or between the parties or implied by the course of conduct of the parties;
- (b) we have not considered the particular circumstances of any party to the Agreement nor the effect of any such particular circumstances on the Agreement or the effect of any transaction contemplated by the Agreement on any such particular circumstances;
- (c) you have received advice in respect of the Agreement from Japanese counsel which states that the nature of the transfers of Collateral under the Agreement together with the obligation of the Borrower to deliver Equivalent Collateral would be regarded under Japanese law as a "loan for consumption". Japanese counsel explain that under Article 587 of the Japanese Civil Code, a loan for consumption will be effective when "one of the parties receives from the other party money or other things on the understanding that he will return

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the money or things of the same kind, quality and quantity". However, counsel recommend including an additional paragraph in the Agreement to minimise the risk of an alternative characterisation under Japanese law and of dispute with the Japanese tax authorities. Since the nature of the rights and obligations of the parties under a loan for consumption (as described by Japanese counsel) is substantially the same as those set out in the Agreement, we do not consider it likely that the additional paragraph recommended by Japanese counsel would affect the manner in which an English court would interpret and give effect to the Agreement.

Benefit of opinion

9. This opinion is addressed to you solely for your own benefit in relation to the Agreement and, except with our prior written consent, is not to be transmitted or disclosed to or used or relied upon by any other person or used or relied upon by you for any other purpose save that you may disclose this opinion to parties with whom you propose to enter into the Agreement for the purposes of complying with the requirement of the Bank of England Rules contained in Notice S&S/1996/3 and SFA Rule 3-176(3) or 10-173(10).

Yours faithfully

Freshfields

RIDER
Australia

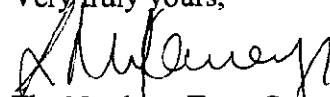
This Rider issued and effective as of 22/4, 1998 amends that certain Master Overseas Securities Borrowing Agreement (the "Agreement") between The Northern Trust Company, as Agent and Fiduciary for Various Lenders (the "Agent"), and _____ (the "Borrower") CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED

This Rider applies only to equity securities traded within Australia and only to the extent there traded. It amends the Agreement as follows:

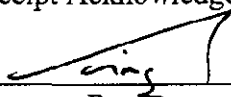
Clause 7(B), Redelivery of Equivalent Securities, page ^{22/4} ~~20~~: delete the first and second sentences of Clause 7(B) and replace them with:


Subject to Clause 8 hereof and the terms of the relevant Borrowing Request the Agent may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day to the Borrower, whereupon the Borrower shall within 5 Business Days (or such other period as may be agreed upon by both parties) deliver to Agent such Equivalent Securities.

This Rider shall remain in effect until revised or withdrawn pursuant to the terms of the Agreement. Please acknowledge receipt and agreement by executing and returning the enclosed copy of this Rider.

Very truly yours,

The Northern Trust Company
As Agent and Fiduciary as aforesaid

CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED
Receipt Acknowledged and Agreed to:


Borrower
Michael Pringle
By: Attorney-in-Fact



By: _____

Date Received: _____

For personal use only

RIDER
France

This Rider issued and effective as of 22/4/, 1998 amends that certain Master Overseas Securities Borrowing Agreement (the "Agreement") between The Northern Trust Company, as Agent and Fiduciary for Various Lenders (the "Agent"), and CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED (the "Borrower").

This Rider applies only to equity securities traded within France and only to the extent there traded. It amends the Agreement as follows:

Clause 7(B), Redelivery of Equivalent Securities, page ~~20~~ ²² *WJL*: delete the first and second sentences of Clause 7(B) and replace them with:

Subject to Clause 8 hereof and the terms of the relevant Borrowing Request the Agent may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day to the Borrower, whereupon the Borrower shall within 5 Business Days (or such other period as may be agreed upon by both parties) deliver to Agent such Equivalent Securities.

This Rider shall remain in effect until revised or withdrawn pursuant to the terms of the Agreement. Please acknowledge receipt and agreement by executing and returning the enclosed copy of this Rider.

Very truly yours,

[Signature]
The Northern Trust Company
As Agent and Fiduciary as aforesaid

CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED

Receipt Acknowledged and Agreed to:

[Signature]
Borrower
Michael Pringle
Attorney-in-Fact
By: _____

[Signature]
By: _____

Date Received: _____

For personal use only

The Northern Trust Company
50 Bank Street, Canary Wharf
London E14 5NT
United Kingdom
Tel +44 (0) 20 7982-2000
Fax +44 (0) 20 7982-2002



Northern Trust

**Credit Suisse First Boston (Europe)
Limited
One Cabot Square
London E14 4QJ**

18th September 2004

Dear Sirs

AMENDMENT TO MASTER OVERSEAS SECURITIES LENDING AGREEMENT

We refer to the Master Overseas Securities Lending Agreement dated 15th March 1998 between The Northern Trust Company as Lender and you as Borrower (the "Agreement").

The purpose of this letter is to record the terms on which Lender and Borrower (the "parties") have agreed to amend the Agreement.

The following addition to the Agreement take effect on the date on which The Northern Trust Company receives executed copies of this letter from the Borrower:

"Treatment of Corporate Actions with Dissenting Votes"

Any Securities that have a corporate action that has a dissenting vote will be treated as callable.

- (a) Subject to (b) below, once the corporate action has been announced, the Security will be recalled from loan, and restricted from lending until the completion of the corporate action or until a prior date determined by the Lender.
- (b) If:
- (i) the record date for the right to vote to dissent has already passed at the time the corporate action is announced, or
 - (ii) the record date has already passed at the time the borrower receives the recall notice from the Lender, or
 - (iii) the record date will pass between the time the Borrower receives the recall notice and the time the Securities would be redelivered to the Lender in accordance with the standard settlement time in Korea for redelivery of borrowed Securities, and the Borrower notifies the Lender of this fact,

then paragraph (a) will not apply and paragraph (c) will apply instead.



Northern Trust

- (c) In the situations described in paragraph (b)(i)-(iii) above the Borrower will use best endeavours to vote in accordance with the Lender's instructions and continue to act in accordance with the Lender's instructions until the completion of the corporate action, provided however that the Borrower shall not be so obliged unless it receives sufficient notice of each of the Lender's instructions to be able to act in accordance with them.
- (d) If the Borrower fails to return the recalled securities as set forth in paragraph (a) above within the agreed recall period and thus they are not received by the Lender by the record date for the right to vote to dissent, the Borrower will be liable for any losses incurred through losing the right to vote.

Capitalised terms used in the above paragraphs have the meanings given to them in the Agreement.

The remaining provisions of the Agreement remain in full force and effect. This agreement replaces the agreement executed on September 16th 2004 by and among the parties.

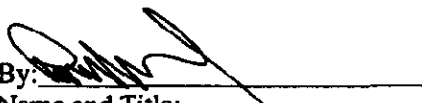
EXECUTED AS AN AGREEMENT BY:

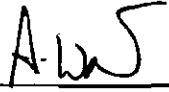
THE NORTHERN TRUST COMPANY

By: 
ANDY CLAYTON
Senior Vice President

Date Signed: _____

BORROWER

By: 
Name and Title: **Paul Hare**
Director

Date Signed: 
Andrew Walton
Director

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SECURITIES LOAN AGREEMENT
(Securities other than
United States Government Securities)

Between

THE FIRST BOSTON CORPORATION

And

STATE STREET BANK AND TRUST AND COMPANY

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SECURITIES LOAN AGREEMENT
(Securities Other Than
United States Government Securities)

Agreement dated the 4th day of January, 1991 between THE FIRST BOSTON CORPORATION of New York, a registered broker-dealer organized in Massachusetts, ("Borrower"), and STATE STREET BANK AND TRUST COMPANY, a Massachusetts trust company ("Lender"), acting in its capacity as trustee, custodian, or agent for various employee benefit plans, endowment funds, custodial accounts, and other clients (the "Clients"), (a list of which, updated from time to time, will be sent to Borrower) setting forth the terms and conditions under which Lender, from time to time and on behalf of the Clients, may lend to Borrower, against the receipt of Collateral, certain securities (other than U.S. Securities).

Borrower and Lender as the parties hereto agree as follows:

1. Loans of Securities.

1.1 Upon request of Borrower, Lender may, from time to time, in its discretion and on behalf of the Clients, lend securities to Borrower against the receipt of Collateral delivered by Borrower. The parties shall agree on the terms of each Loan, including the identity and amount of the securities to be lent, the basis of compensation, and the type and amount of Collateral to be delivered by Borrower (subject to the terms and conditions of this Agreement), which terms may be amended during the period of the Loan only by mutual agreement of the parties hereto.

1.2 Loans, all applicable terms and conditions thereof, and amendments and activity, if any, with respect thereto, shall be evidenced by Lender's records pertaining to such Loans maintained by Lender in the regular course of its business and such records shall represent conclusive evidence thereof except for manifest error or willful misconduct. Lender will send Borrower monthly statements of outstanding Loans showing Loan activity which Borrower agrees to examine promptly and to advise Lender of any errors or exceptions. Borrower's failure to so advise Lender within twenty (20) days after delivery of any such statement shall be deemed to be Borrower's admission of the accuracy and correctness of the contents thereof and Borrower shall be fully bound thereby.

1.3 Notwithstanding any other provisions in this Agreement with respect to when a Loan occurs, a Loan hereunder shall not occur until the Borrowed Securities and the Collateral therefor are delivered. If, on any Business Day, Borrower delivers Collateral, as provided in Section 3.1 hereunder, and Lender does not deliver the Borrowed Securities, Borrower shall have the absolute right to the prompt return of the Collateral; and if, on any Business Day, Lender delivers Borrowed Securities and Borrower does not deliver Collateral as provided in Section 3.1 hereunder, Lender shall have the absolute right to the prompt return of the Borrowed Securities.

2. Deliveries and Treatment of Borrowed Securities.

2.1 Lender shall deliver the Borrowed Securities to Borrower either (a) by delivering to Borrower certificates

representing the Borrowed Securities in bearer form together with duly executed stock or bond transfer powers, as the case may be, in which event the Lender shall list the Borrowed Securities on a schedule and receipt, which Borrower shall execute and return when the Borrowed Securities are received, or (b) by causing the Borrowed Securities to be credited to Borrower's account and debited from Lender's account at a Clearing Organization, as agreed to by the parties hereto, and such crediting and debiting shall result in receipt by Borrower and Lender of a Clearing Organization notice of such crediting and debiting, which notice shall constitute a schedule of the Borrowed Securities.

2.2 Except as provided in Section 2.3, Borrower shall exercise all of the incidents of ownership with respect to the Borrowed Securities, including the right to transfer the Borrowed Securities to others, until the Borrowed Securities are returned to Lender in accordance herewith. In particular, Lender hereby waives the right to vote the Borrowed Securities during the term of the Loan, unless special arrangements providing otherwise have been made.

2.3 Lender shall be entitled to receive all distributions (including payments upon maturity or other redemption) made on or in respect of the Borrowed Securities, the payable dates for which are during the term of the Loan and which are not otherwise received by Lender, to the full extent it would be so entitled if the Borrowed Securities had not been lent to Borrower, including, but not limited to: (a) all cash dividends, (b) all other distributions of cash or property, (c) stock

dividends, (d) securities received as a result of split-ups of the Borrowed Securities and distributions in respect thereof, (e) interest payments, and (f) all rights to purchase additional securities. Cash dividends and other distributions shall be paid gross of any foreign withholding taxes. Any cash distributions made on or in respect of the Borrowed Securities which Lender is entitled to receive pursuant to this Section shall be paid to Lender by Borrower on payable, maturity, or redemption date. Non-cash distributions other than those in the nature of stock splits or stock dividends shall be paid to Lender as soon as possible under the best efforts of Borrower. Non-cash distributions which are in the nature of stock splits or stock dividends and which are received by Borrower shall be added to the Borrowed Securities and shall be considered such for all purposes, except that: (i) if the Borrowed Securities have been returned to Lender or if Borrower is in Default hereunder, Borrower shall forthwith deliver any such non-cash distributions to Lender; and (ii) Lender may direct Borrower, upon no less than six Business Days' notice prior to the date of such a non-cash distribution, to deliver the same to Lender on the Business Day next following the date of such non-cash distribution.

3. Deliveries and Treatment of Collateral.

3.1 Concurrently with the receipt of the Borrowed Securities, Borrower shall deliver to Lender Collateral in an amount not less than the Margin Percentage of the current Market Value of the Borrowed Securities. The Collateral shall be delivered by such one or more of the following methods as are agreed to by the parties pursuant to Section 1.1: (a) Borrower

transferring funds by wire, (b) Borrower delivering to Lender, or causing to be credited to Lender's account at a Clearing Organization, a certified or official bank check representing New York Clearing House funds, (c) Borrower delivering to Lender an irrevocable letter of credit issued by a mutually acceptable "bank" (as defined in Section 3(a)(6)(A)-(C) of the Securities Exchange Act of 1934) that is not an Affiliate of Borrower, (d) Borrower delivering U.S. Securities through the Federal Reserve book-entry system to the account of Lender at the Federal Reserve Bank of Boston, and/or (e) Borrower delivering federal funds to the Lender's account at the Federal Reserve Bank of Boston or at a Clearing Organization.

3.2 The Collateral delivered by Borrower to Lender, as adjusted pursuant to Section 4 below, shall be security for the due and punctual performance by Borrower of any and all of its obligations to the Lender hereunder now or hereafter arising, and Borrower hereby pledges with, assigns to, and grants Lender a continuing first security interest in, and a lien upon, the Collateral. Such first security interest shall attach upon the delivery of the Collateral to Lender, shall survive the termination of this Agreement, and shall cease only upon the redelivery of the Collateral to Borrower subsequent to the return of the Borrowed Securities to the Lender. In addition to the rights and remedies given to Lender hereunder, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code of New York.

3.3 It is understood that Lender may use or invest the Collateral, to the extent that such Collateral consists of cash. Such use or investment shall be at Lender's risk and, subject to the payment of an agreed rebate fee to Borrower pursuant to Section 5.2, Lender shall be entitled to retain all income and profits therefrom and shall bear all losses therefrom. Except as provided in Section 10, Lender may not pledge, repledge, hypothecate, rehypothecate, lend, or relend the Collateral, to the extent such Collateral consists of other than cash. However, the Lender may commingle and hold non-cash Collateral in bulk provided, that Borrower's Collateral is identifiable as such at all times on Lender's books and records.

3.4 With the approval of Lender, Borrower may at any time substitute for any securities held by Lender as Collateral for the Borrowed Securities other Collateral with respect to the Borrowed Securities of equal current Market Value to the securities for which it is to be substituted. Prior to the maturity of any U.S. Security that is delivered to the Lender as Collateral, the Borrower shall replace such U.S. Security with other Collateral acceptable to the Lender and of equal current Market Value to the U.S. Security for which it is to be substituted. Substituted Collateral shall be considered Collateral for all purposes hereof.

3.5 Borrower shall be entitled to receive all distributions made on or in respect of non-cash Collateral the payment dates for which are during the term of the Loan and which are not otherwise received by Borrower, to the full extent it

would be so entitled if the Collateral has not been delivered to Lender. Any distributions made on or in respect of such Collateral which Borrower is entitled to receive pursuant to this Section shall be paid by Lender to Borrower forthwith upon receipt by Lender, so long as Borrower is not in Default at the time of such receipt.

3.6 Except as provided in Sections 10 and 11 hereunder, Lender shall be obligated to return the Collateral to Borrower upon the return to Lender of the Borrowed Securities.

4. Marks to Market; Maintenance of Collateral.

4.1 Borrower shall daily mark to market any Loans hereunder and in the event that at the close of trading on any day the value of all the Collateral delivered by Borrower to Lender with respect to any Loan hereunder shall be less than one hundred percent (100%) of the Market Value of all Borrowed Securities outstanding with respect to such Loan, Borrower shall deliver to Lender additional Collateral by the close of the next Business Day so that the Market Value of additional Collateral when added to Market Value of the Collateral with respect to such Loan shall equal at least the Margin Percentage of the Market Value of the Borrowed Securities outstanding with respect to such Loan. Such additional Collateral shall be delivered as provided in Section 3.1 above.

4.2 In the event that at the close of trading on any day the Market Value of all the Collateral delivered by Borrower to Lender with respect to any Loan hereunder shall be less than the Margin Percentage of the Market Value of all the Borrowed

Securities outstanding with respect to such Loan, Lender may, by notice to Borrower, demand that Borrower deliver to Lender additional Collateral so that the Market Value of such additional Collateral when added to the Market Value of the Collateral with respect to such Loan shall equal at least the Margin Percentage of the Market Value of the Borrowed Securities outstanding with respect to such Loan. Such delivery is to be made by the close of business of the day of Lender's notice to Borrower if such notice is given before 11:00 a.m. on a Business Day. If Lender's notice is given after 11:00 a.m. on a Business Day or is given on a day other than a Business Day, such delivery is to be made by the close of business of the next Business Day, unless (a) such notice has been superseded by a proper demand made pursuant to this Section 4.2 or Section 4.3 given before 11:00 a.m. of that next Business Day, or (b) a greater amount of additional Collateral is required to be delivered on that next Business Day pursuant to Section 4.1. Such additional Collateral shall be delivered as provided in Section 3.1 above.

4.3 In the event that at the close of trading on any day the Market Value of all the Collateral delivered hereunder by Borrower to Lender with respect to any Loan shall be greater than the Margin Percentage of the Market Value of all the Borrowed Securities outstanding with respect to such Loan, Borrower may, by notice to Lender, demand that Lender redeliver to Borrower such amount of Collateral as may be selected by Borrower, so long as the Market Value of the remaining Collateral equals at least the Margin Percentage of the Market Value of the Borrowed

Securities outstanding with respect to such Loan. Such redelivery is to be made by the close of business of the day of Borrower's notice to Lender if such notice is given before 11:00 a.m. on a Business Day. If Borrower's notice is given after 11:00 a.m. on a Business Day or is given on a day other than a Business Day, such redelivery is to be made by the close of business of the next Business Day, unless (a) such notice has been superseded by a proper demand made pursuant to Section 4.2 or this Section 4.3 given before 10:30 a.m. of that next Business Day, or (b) additional Collateral is required to be delivered on that next Business Day pursuant to Section 4.1. Such Collateral shall be delivered as provided in Section 3.1 above.

4.4 If the delivery or redelivery of Collateral under Section 4.1, 4.2 or 4.3 is to be made pursuant to the method specified in Section 3.1(b), the obligation of Borrower or Lender to so deliver or redeliver such Collateral shall be conditioned upon the other party's timely compliance with all applicable procedures of the Clearing Organization through which such delivery or redelivery is to be made.

5. Fees.

5.1 When the agreement to lend securities is made pursuant to Section 1.1 hereof, the parties shall agree on the basis of compensation to be paid in respect of the Loan.

5.2 To the extent that a Loan of Borrowed Securities is collateralized by cash, the parties may agree that Lender's compensation shall consist of the right to use and invest such cash Collateral, and that, in consideration for such right to use

and invest cash Collateral, Lender will pay Borrower a loan rebate fee computed daily for each such Loan and based on the amount of cash Collateral delivered with respect to such Loan. The amount of such loan rebate fee shall be computed based on a 360-day year (a) from the first Business Day next following the day that cash Collateral is delivered to Lender, to the extent that such Loan is collateralized by cash through a means other than Borrower's delivery of federal funds, and (b) from the first Business Day that cash Collateral is delivered to Lender, to the extent that the Loan is collateralized by Borrower's delivery of federal funds. Computation of such loan rebate fee shall be made daily, through and including the earliest of: (i) the date that such cash Collateral is returned to Borrower, to the extent that such Loan is collateralized by cash through a means other than Borrower's delivery of federal funds; (ii) the date next preceding the date such cash Collateral is returned to Borrower, to the extent that such Loan is collateralized by Borrower's delivery of federal funds; (iii) the date of a Default by Borrower; and (iv) the date Lender gives notice of termination pursuant to Section 8.2, provided that the parties may mutually agree that a loan rebate fee will be paid for all or an agreed upon number of days after such notice is given (but in no event for a period beyond the earliest of the dates described in clauses (i), (ii), and (iii) of this sentence). Such loan rebate fee shall be payable before the tenth Business Day following the rendering of a correct invoice by Borrower submitted on a monthly basis.

5.3 To the extent that a Loan of Borrowed Securities is collateralized by other than cash, the parties may agree that Borrower shall pay to Lender a loan premium based on the par value of any Borrowed Securities that are debt securities and the Market Value assigned to any Borrowed Securities that are equity securities, at the time the Loan is made, as adjusted by any daily marks to market processed subsequently. The amount of such loan premium shall be computed daily based on a 360-day year from the first Business Day that the Borrowed Securities are delivered to Borrower, through and including the date next preceding the date that securities identical to the Borrowed Securities are returned to the Lender or its agent pursuant to Section 8 or the date that Lender makes a purchase of securities or an election to treat the Borrowed Securities as sold pursuant to Section 10.1. Any loan premium payable by Borrower hereunder shall be payable upon the earliest of the following: (a) the seventh Business Day of the month following the month in which the fee was incurred; or (b) immediately, in the event of a Default hereunder by Borrower; or (c) the date this Agreement is terminated.

5.4 All transfer taxes and transfer fees with respect to any transfers hereunder of the Borrowed Securities or the Collateral shall be paid by Borrower.

6. Representations of the Parties.

The parties hereby make the following representations and warranties, which shall continue during the term of any Loan hereunder:

6.1 Each party hereto represents and warrants that (a) it has the power to execute and deliver this Agreement, to enter the Loans contemplated hereby, and to perform its obligations hereunder; (b) it has taken all necessary action to authorize such execution, delivery, and performance; and (c) this Agreement constitutes a legal, valid, and binding obligation enforceable against it (in the case of Lender, in its capacity as trustee, custodian, or agent of the Clients).

6.2 Each party hereto represents and warrants that the execution, delivery and performance by it of this Agreement and each Loan hereunder will at all times comply with all applicable laws and regulations, including those of applicable securities regulatory and self-regulatory organizations.

6.3 Each party hereto represents and warrants that it has made its own determination as to the tax treatment of any dividends, remuneration, or other funds received hereunder.

6.4 Borrower represents and warrants that (a) it is a corporation, partnership, or other entity duly organized and validly existing under the laws of the state of its organization, (b) it is a broker-dealer registered under the Securities Exchange Act of 1934 (the "Exchange Act") or a Bank within the meaning of Section 3(g)(6)(A)-(C) of the Exchange Act, (c) it has, or will have at the time of delivery of any Collateral, the right to grant a first security interest therein subject to the terms and conditions hereof, and (d) it (or the party to whom it relends the Borrowed Securities) is borrowing or will borrow the Borrowed Securities (except for Borrowed Securities that qualify

as "exempted securities" under Regulation T of the Board of Governors of the Federal Reserve System) for the purposes of making delivery of such securities in the case of short sales, failure to receive securities required to be delivered, or as otherwise permitted pursuant to Regulation T.

6.5 Borrower represents that the statements provided to Lender pursuant to Section 7.1 fairly represent its financial condition and, if Borrower is a broker, net capital ratio as of the date of such statements, and that there has been no material adverse change in its financial condition or net capital ratio since that date that has not been disclosed in writing to Lender. Each request by Borrower for a Loan shall constitute a present representation: (a) that there has been no material adverse change in Borrower's financial condition that has not been disclosed in writing to Lender since the date of the most recent statement furnished to Lender pursuant to Section 7.1; and (b) that, as of the date of such request for a Loan, Borrower, if it is a broker, is in compliance with Rule 15c3-1 of the Securities and Exchange Commission ("SEC") under the Exchange Act.

6.6 To the extent that Lender has provided Borrower with written statements identifying any of the Clients as employee benefit plans subject to Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA"), each request by Borrower for a Loan shall constitute a present representation that, except as disclosed in writing by Borrower to Lender, neither Borrower nor any Affiliate of Borrower is a "fiduciary" (within the meaning of Section 3(21) of ERISA) with respect to

the assets of the Clients so identified that may be Borrowed Securities hereunder.

6.7 Lender represents and warrants (a) that it is a trust company duly organized and validly existing under the laws of the Commonwealth of Massachusetts and (b) that it has, or will have at the time of delivery of any Borrowed Securities, the authority to deliver, on behalf of its Client(s), the Borrowed Securities subject to the terms and conditions hereof.

7. Covenants.

7.1 If Borrower is a broker, Borrower makes the covenants set forth in this Section 7.1. Upon execution of this Agreement, Borrower shall deliver to the Lender Borrower's most recent statements required to be furnished to Borrower's customer's by Rule 17a-5(c) and (d) of the SEC under the Exchange Act. As long as any loan is outstanding under this Agreement, Borrower shall promptly deliver to the Lender all such statements subsequently required to be furnished to Borrower's customers by such Rule. Upon execution of this Agreement, Borrower shall also deliver to Lender Borrower's most recent financial information otherwise available to its shareholders, the SEC, or the public, including (without limitation) the most recent available audited and unaudited statements of Borrower's financial condition and any report or notice required by Rules 17a-5(a)(2)(i) and (ii) and 17a-11 of the SEC under the Exchange Act. As long as any loan is outstanding under this Agreement, Borrower will promptly deliver to Lender all such financial information on Borrower that

is subsequently available, and any other financial information or statements on Borrower that Lender may reasonably request.

7.2 If Borrower is a Bank, Borrower makes the covenants set forth in this Section 7.2. Upon execution of this Agreement, Borrower shall furnish to Lender (i) the most recent available audited statement of Borrower's financial condition, and (ii) the most recent available unaudited statement of Borrower's financial condition. As long as any Loan is outstanding under this Agreement, Borrower will promptly deliver to Lender all such financial information that is subsequently available, and any other financial information or statements that Lender may reasonably request.

7.3 Borrower agrees to be liable as principal with respect to its obligations hereunder.

7.4 Borrower agrees to cause every Letter of Credit delivered by it and constituting Collateral hereunder, to be renewed or replaced by Collateral (including, without limitation, a renewed or replacement Letter of Credit) satisfactory to Lender no later than 12:30 p.m. on the scheduled expiration date of such Letter of Credit.

8. Termination of the Loan without Default.

8.1 Borrower may cause the termination of a Loan, at any time, by returning the Borrowed Securities to Lender.

8.2 Lender may cause the termination of a Loan by giving notice of termination of such Loan to Borrower prior to the close of business on any Business Day. Upon such notice, Borrower shall deliver the Borrowed Securities to Lender no later

than the earlier of (a) the end of the customary delivery period for such securities or (b) the fifth Business Day following the day on which Lender gives notice of termination of such Loan to Borrower.

8.3 If a Loan shall not have been sooner terminated by Lender or Borrower, it shall be terminated automatically on the first anniversary of the Loan. In such event, Borrower shall deliver the Borrowed Securities to Lender no later than such first anniversary date.

8.4 Borrower's delivery of the Borrowed Securities with respect to a Loan to Lender pursuant to Section 8.1, 8.2 or 8.3 shall be made by causing the Borrowed Securities to be credited to Lender's account at the Clearing Organization, or, if Lender consents, by physical delivery to Lender of certificates representing the Borrowed Securities. Upon such delivery by or on behalf of Borrower, Lender shall concurrently therewith deliver the Collateral (as adjusted pursuant to Section 4) to Borrower. If the Collateral is a Letter of Credit, the return of the Borrowed Securities shall be considered final settlement payment.

9. Events of Default.

All Loans between Borrower and Lender may (at the option of the non-defaulting party, exercised by notice to the defaulting party) be terminated immediately upon the occurrence of any one or more of the following events (individually, a "Default"):

(a) if either party fails to return Borrowed Securities or Collateral as required by Section 8 hereof;

(b) if either party fails to deliver or return Collateral as the case may be, as required by Section 4 hereof;

(c) if either party fails to make the payment of distributions as required by Section 2.3 and 3.5 hereof and such default is not cured within one Business Day of notice of such failure to Borrower or Lender, as the case may be;

(d) if either party makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they become due, or files or becomes subject to a petition in bankruptcy or is adjudicated as bankrupt or insolvent, or files or becomes subject to a petition seeking reorganization, liquidation, dissolution or similar relief under any present or future law or regulation, or seeks, consents to or acquiesces in the appointment of any trustee, receiver, or liquidator of it or any material part of its properties;

(e) if Borrower (if it is a broker) is suspended or expelled from membership or participation in the New York Stock Exchange, American Stock Exchange, the National Association of Securities Dealers, or any other securities exchange or securities association, or if it is suspended from dealing in securities by the SEC, or if its authority to deal in securities is suspended or revoked under any state securities law or regulation;

(f) if Borrower (if it is a Bank) or Lender has its license, charter or other authorization necessary to conduct a material portion of its business withdrawn, suspended, or revoked by any applicable federal or state government or agency thereof;

(g) if it is found that the Borrower has made a material misrepresentation of its financial condition;

(h) if Borrower (if it is a broker) becomes subject to Rule 17a-11 of the SEC under the Exchange Act;

(i) if Borrower or Lender breaches any covenants, representations, or agreements herein;

(j) if a final judgment for the payment of \$5,000,000.00 shall be rendered against Borrower and such judgment shall not have been discharged or its execution stayed pending appeal within sixty (60) days of entry or such judgment shall not have been discharged within sixty (60) days of expiration of any such stay.

10. Lender's Remedies on Borrower's Default.

10.1 In the event of any Default by Borrower under Section 9 hereof, Lender shall have the right, in addition to any other remedies provided herein or under applicable law (without further notice to Borrower), as its option either (a) to purchase a like amount of the Borrowed Securities in any market for such securities or (b) to elect to treat the Borrowed Securities as having been purchased by Borrower at a purchase price equal to the Replacement Value. Lender may apply the Collateral to the payment of such purchase, after deducting therefrom all amounts, if any, due Lender under this Agreement, including (without limitation) Section 2 and 5 hereof. In such event, Borrower's obligation to return the Borrowed Securities shall terminate. Borrower shall be liable to Lender for the cost of funds which Lender advances to purchase such securities during any stay on the application of the Collateral (whether such stay is automatic or imposed by a court or other governmental agency).

In the event the sum of (i) such purchase price or Replacement Value and (ii) the amount of all other obligations owing by Borrower under this Agreement exceeds the amount of the Collateral, Borrower shall be liable to Lender for the amount of such excess together with interest on all such amounts at the Prime Rate as it fluctuates from day to day, from the date of such purchase or election until the date of payment of such excess. Lender shall have, as security for Borrower's obligation to pay such excess, a first security interest in or right of setoff against any property of Borrower then held by Lender (in

any capacity) and any other amount payable by Lender (in any capacity) to Borrower. The purchase price of securities purchased under this Section 10 shall include brokers' fees and commissions and all other reasonable costs, fees, and expenses related to such purchase. Upon satisfaction of all obligations hereunder, any remaining Collateral shall be returned to Borrower.

10.2 THIS SECTION APPLIES IF BORROWER IS A BROKER. WITHOUT WAIVING ANY RIGHTS GIVEN TO THE LENDER HEREUNDER, IT IS UNDERSTOOD BY LENDER THAT THE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 MAY NOT PROTECT THE LENDER WITH RESPECT TO BORROWED SECURITIES HEREUNDER AND THAT, THEREFORE, THE COLLATERAL DELIVERED TO THE LENDER MAY CONSTITUTE THE ONLY SOURCE OF SATISFACTION OF BORROWER'S OBLIGATIONS IN THE EVENT BORROWER FAILS TO RETURN THE BORROWED SECURITIES.

11. Borrower's Remedies on Lender's Default.

11.1 In the event of any Default by Lender under Section 9 hereof, Borrower shall have the right, in addition to any other remedies provided herein or under applicable law (without further notice to Lender) to sell (or, at Borrower's election, by being deemed to have sold) an amount of the Borrowed Securities, in the principal market for such securities, that will provide proceeds up to the value of the Market Value of the Collateral on the date of Default. In such event, Borrower may retain the proceeds of such sale, and Lender's obligation to return the Collateral shall terminate. In the event the sale price received from such securities is (or is deemed to be) less

than the sum of (i) the value of the Collateral and (ii) the amount of all other obligations owing by Lender under this Agreement, Lender shall be liable to Borrower for the amount of such deficiency together with interest on all such amounts at the Prime Rate as it fluctuates from day to day, from the date of such sale (or deemed sale) until date of payment of such deficiency.

12. Definitions.

For the purposes hereof:

12.1 "Affiliate" shall mean with respect to another person: (i) any person directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with such other person; (ii) any officer, director, or partner, employee or relative (as defined in Section 3(15) of ERISA) of such other person; and (iii) any corporation or partnership of which such other person is an officer, director or partner. For purposes of this definition the term "control" means the power to exercise a controlling influence over the management or policies of a person other than an individual.

12.2 "Borrowed Securities" shall mean any "security" (as defined in the Exchange Act) which is not a U.S. Security and which is delivered as a Loan hereunder, until the Clearing Organization credits the Lender's accounts or the certificate for such security is delivered or otherwise accepted back hereunder or until the security is replaced by purchase, except that, if any new or different security shall be exchanged for any Borrowed Security by recapitalization, merger, consolidation or other

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corporate action, such new or different security shall, effective upon such exchange, be deemed to become a Borrowed Security in substitution for the former Borrowed Security for which such exchange was made. For purposes of the return of Borrowed Securities by Borrower pursuant to Section 8 or the purchase of securities pursuant to Sections 10 or 11 hereunder, such term shall include securities of the same issuer, class and quantity as the Borrowed Securities, as adjusted pursuant to the preceding sentence.

12.3 "Business Day" shall mean any day recognized as a settlement day by the New York Stock Exchange, Inc. and on which Lender is open for business to the public.

12.4 "Collateral" shall mean, whether now owned or hereafter acquired, (a) that collateral permitted by Rule 15c3-3(b) of the SEC under the Exchange Act and delivered to Lender pursuant to Section 3 or 4, and (b) all accounts in which such collateral is deposited and all securities and the like in which all cash collateral is invested or reinvested.

12.5 "Clearing Organization" shall mean (a) Depository Trust Company, and/or, if agreed to by the parties hereto, such other clearing agency at which Borrower and Lender (or Lender's agent) maintain accounts, and/or (b) any Federal Reserve Bank which maintains a book-entry system.

12.6 "Letter of Credit" shall mean an irrevocable Letter of Credit issued by a Bank (within the meaning of Section 3(a)(6)(A)-(C) of the Exchange Act) that is not the Borrower or an Affiliate of the Borrower, and which is acceptable to Lender

in its sole discretion. The Letter of Credit shall provide that payments thereunder shall be made to Lender upon presentation of a statement by Lender to the effect that a Borrower's default has occurred.

12.7 "Loan" shall mean a loan of securities hereunder.

12.8 "Margin Percentage" shall mean one hundred and two percent (102%), or such greater percentage as is agreed to by the parties pursuant to Section 1.1.

12.9 "Market Value" of a security means the fair market value of such security (including, in the case of any Borrowed Security that is a debt security, the accrued interest on such security) as determined by the independent pricing service designated by Lender, or by such other independent sources as may be selected by Lender on a reasonable basis.

12.10 "Prime Rate" shall mean the prime rate as quoted in the Wall Street Journal, New York Edition, for the Business Day preceding the date on which such determination is made. If more than one rate is so quoted, the Prime Rate shall be the average of the rates so quoted.

12.11 "Replacement Value" shall mean the price, including any brokerage or other expenses and accrued interest, at which a like amount of securities identical to the Borrowed Securities could be purchased in the principal market for such securities at the time of the Lender's election under Section 10.1 hereof.

12.12 "U.S. Security" means a security issued or guaranteed by the United States government or any of its agencies.

13. Indemnification.

Borrower hereby agrees to indemnify and hold harmless Lender, each Client, and in the case of a Client that is an employee benefit plan, the sponsor and fiduciaries of such plan, from any and all damages, losses, costs, and expenses (including attorney's fees) that the Lender or any such Client, plan sponsor, or plan fiduciary may incur or suffer due to the failure of the Borrower to perform its obligations under this Agreement. This right to indemnification shall survive the termination of any Loan or of this Agreement.

14. Waiver.

The failure of either party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. All waivers in respect of a Default must be in writing signed by the non-defaulting party. No exercise of any remedy hereunder by either party shall constitute a waiver of its right to exercise any other remedy. In the event of any Default by Lender under Section 9 hereof, Borrower shall have the right to sell an amount of the Borrowed Securities, in the principal market for such securities, that will provide proceeds equal in value to the Market Value of the Collateral on the date of Default. In such event, Borrower may

retain the proceeds of such sale and Lender's obligation to return the Collateral shall terminate. In the event the sale price received from such securities is less than the value of the Collateral, Lender shall be liable to Borrower for the amount of any deficiency (plus all amounts, if any, due to Borrower hereunder). Upon the satisfaction of all of Lender's obligations hereunder, any remaining Borrowed Securities shall be returned to Lender.

15. Continuing Agreement; Termination; Remedies.

It is the intention of the parties hereto that, subject to the termination provisions set forth herein, this Agreement shall constitute a continuing agreement in every respect and shall apply to each and every Loan, whether now existing or hereafter made by Lender to Borrower. Borrower and Lender may each at any time terminate this Agreement upon five (5) days written notice to the other to that effect. The sole effect of any such termination of this Agreement will be that, following such termination, no further Loans by Lender shall be made or considered made hereunder, but the provisions hereof shall continue in full force and effect in all other respects until all Loans have been terminated and all obligations satisfied as herein provided.

16. Notices.

Except as otherwise specifically provided herein, notices under this Agreement may be made orally (if confirmed in writing within 24 hours), in writing, or by any other means mutually acceptable to the parties. If in writing, a notice

shall be sufficient if delivered (including registered or certified mail, postage prepaid) to the party entitled to receive such notices at the following addresses:

BORROWER: The First Boston Corporation
Five World Trade Center
Stock Loan Department - 7th Floor
New York, NY 10048
Attn: Robert Macchiarola
Assistant Vice President

LENDER: State Street Bank and Trust Company
Master Trust Services
P.O. Box 1992
Boston, Massachusetts 02105-1992
Attn: Securities Lending Department

or to such other addresses as either party may furnish the other party by written notice under this section.

Telephone and facsimile notices shall be sufficient if communicated to the party entitled to receive such notice at the following numbers:

If to Borrower:

Telephone (212) 322-1654 Facsimile (212) 938-0354

If to Lender:

Telephone (617) 786-6113 Facsimile (617) 847-2317

17. Time.

All times specified herein shall be based on New York City time.

18. Securities Contracts.

Each party hereto agrees that this Agreement and the Loans made hereunder shall be "securities contracts" for purposes of the Bankruptcy Code and any bankruptcy proceeding thereunder.

19. Miscellaneous.

This Agreement supersedes any other Agreement between the parties concerning loans of securities (other than U.S. Securities) between the parties hereto. This Agreement shall not be assigned by either party without the prior written consent of the other party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto (including, in the case of Lender, its Clients) and their respective heirs, representatives, successors and assigns. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Massachusetts. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision hereof shall not affect any other provision of this Agreement. If in the construction of this Agreement any court should deem any provision to be invalid because of scope or duration, then such court shall forthwith reduce such scope or duration to that which is appropriate and enforce this Agreement in its modified scope or duration.

20. Modification.

This Agreement shall not be modified, except by an instrument in writing signed by the party against whom enforcement is sought.

BORROWER: THE FIRST BOSTON CORPORATION

By:  _____

Title: Director

Name: Walter P. Fekula

LENDER: STATE STREET BANK AND TRUST COMPANY,
in its capacity as trustee, custodian,
or agent of the Clients

By:  _____

Ralph F. Vitale

Vice President

FIRSTCOR.DOC
Rev. 12/20/90
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S C H E D U L E "A"

Corporate
CLIENT (PARTICIPANTS)
Securities Lending Program
(12/03/90)

ERISA Clients for Borrowers Identified:

E = ERISA -- X = NOT ERISA

Adolph Coors Company Trust Agreement to Fund for Coors
Retirement Plan - E

American General Series Company - X

AMSCO: American Sterilizer Company Trust Agreement for the
AMSCO Hourly Pension Plan - E

Atlantic Richfield Company Trust for Retirement Plans of
Atlantic Richfield - E

Bell Atlantic Master Pension Trust - E

Boston Edison Company Retirement Trust - E

Brigham & Women's Hospital, Inc.: Affiliated Hospitals
Center, Inc. Trust Agreement to Fund Affiliated Hospitals
Center Retirement Plan - E

Building Laborers Local No. 310 Pension Plan - E

Caisse de Depot et Placement du Quebec - X

Cincinnati Milacron, Inc. Trust for Employee Benefit Plans
for the Exclusive Benefit of Eligible Employees of the
Company and Their Beneficiaries - E

Commonwealth Energy System Master Trust - E

Consolidated Papers Master Investment Trust - E

Dennison Manufacturing Company Master Trust - E

Emhart PAYSOP Trust - E

Emhart Savings Plan Trust - E

Evaluation Associates Capital Appreciation Fund - X

Funds A, B and C of the I.A.M. National Pension Fund - E

Georgetown University - X

GS Capital Growth Fund, Inc. - 5800 - X

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GTE Service Corporation Trust for the Pension Plans of GTE Service Corporation and Its Associates - E

Halliburton Company Master Trust -E

International Paper Company Trust to Fund Pension Plans - E

International Union of Operating Engineers Local No. 4 Pension Plan - E

Iron Workers District Council of New England Defined Benefit Pension Plans - E

J.M. Huber Corporation Profit Sharing and Retirement Plans - E

Laborer's District Council & Contractor's Pension Fund of Ohio - E

Lehigh University - X

Lutheran Brotherhood - X

Management of Managers Capital Appreciation Fund - X

Mars Retirement Trust - E

Massachusetts Laborers' Pension Fund - E

Medical Malpractice Joint Underwriting Association of Massachusetts - X

Memorial Hospital for Cancer and Allied Diseases, Sloan-Kettering Institute for Cancer Research and Memorial Sloan-Kettering Cancer Center - X

National Grange Mutual Life Insurance Company; Main Street America Assurance Company - X

New England Teamsters & Trucking Industry Pension Fund - E

Northeastern University - X

Northwest Airlines, Inc. Trust for Tax-qualified Employee Benefit Plans - E

Ohio Carpenters Pension Fund - E

Pacific Gas and Electric Company Trust for Retirement Plan and any Participating Plans - E

J.C. Penney Company, Inc. Pension Plan - E

Philip Morris Incorporated, Philip Morris Companies, Inc. -
Master Trust - E

The Pullman Company Trust for Tax-Qualified Employee Benefit
Plans - E

Rosenberg Management Second Tier Trust - E

Rosenberg Small Capitalization Fund - X

Southern Methodist University - X

S&P 500 Commingled Index Fund, State Street Bank and Trust
Company, Trustee General Corporation Master Retirement Trust
- E

SSB Asset Mgmt: --

-Domestic Index Fund - E

-Massachusetts Joint Underwriters Association. - X

StarTrade Fund, Inc. - F800 - X

Supermarkets General Corporation Master Retirement Trust - E

The CBC Pension Board of Trustees Custodian Agreement - X

The New York Times Company Trust to Fund the New York Times
Companies Pension Plan and the Retirement Annuity Plan - E

The Reader's Digest Association, Inc. Trust for the Reader's
Digest Association, Inc. Retirement Plan and the Reader's
Digest Employees Profit-Sharing Plan - E

Thermo Electron Corporation Trust for Employee Benefit Plan
Qualified Under Section 401 of the Internal Revenue Code of
1986, as amended - E

Trust for Defined Benefit Plans of ICI American Holdings,
Inc. - E

Trust for the Employee Pension Benefit Plans of General
Mills, Inc. - E

Trust for the Retirement Plans of Boise Cascade - E

Trust for the Tax-Qualified Employee Plans of Atlantic City
Electric Company - E

Trust to Fund the Retirement Plans of Emhart Corporation and
Its Subsidiaries - E

Trustees of the Central Pension Fund of the International
Union of Operating Engineers and Participating Employers - E

Trustees of the Employee Benefit Plans of Pitney Bowes, Inc.
- E

University of Pennsylvania - X

U.S. Boston Investment Company -- Growth and Income Fund - X

Utilicorp. United Inc.: the Utilicorp United Inc. Master
Trust Agreement - E

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PUBLIC FUNDS

Board of Trustees of the State Teachers' Retirement System of Vermont - X

Board of Trustees of the Vermont Employees' Retirement System - X

Cambridge Retirement System - E

City of Quincy Contributory Retirement System - X

City of Tallahassee Employees Defined Benefit - X

Commonwealth of Massachusetts Pension Reserves Investment Trust - X

Hampshire County Retirement System - E

ICMA Retirement Trust - X

International Bank for Reconstruction and Development Staff Retirement Plan - E

Massachusetts Bay Transportation Authority Retirement Fund-X

Minnesota State Board of Investment - X

Oklahoma Firefighters Pension and Retirement Board - X

Oklahoma State & Education Employees Group Insurance Board - X

Pension Benefit Guaranty Corporation - E

Retirement Board of the Municipal Employees' Retirement System of Vermont - X

Retirement Board of the State - Boston Retirement System - X

Sacramento County Employees' Retirement Association -X

San Bernardino County Employees' Retirement Fund - X

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State Teachers' Retirement System - X

The Rhode Island State Investment Commission Custodian of Assets of the Employees Retirement System of Rhode Island and the Municipal Employees Retirement System of Rhode Island - (ERSRI) - X

U.S. Army Non-appropriated Fund Employee Retirement Plan Trust - E

Wilshire Asset Management Large Company Value Fund (for employee pension and profit-sharing plans) - E

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12/03/90

DR: "Securities Lending Data"

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