

No: 1015185

THE COMPANIES ACT 1985

and

THE COMPANIES ACT 1989

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

of

CUSTOM MICRO PRODUCTS LIMITED

Passed 17th day of April 1996

AT an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at 450 Blandford Road Hamworthy Poole Dorset on the 17th day of April 1996 the following Resolution was duly passed as a SPECIAL RESOLUTION namely:-

RESOLUTION

That the Articles of Association produced to the meeting and signed by the Chairman for the purpose of identification be and are hereby adopted as the Articles of Association of the Company in substitution for the existing Articles of Association of the Company.


.....
A. G. WITTS
CHAIRMAN



No. 1015185

THE COMPANIES ACT 1985

AND

THE COMPANIES ACT 1989

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

CUSTOM MICRO PRODUCTS LIMITED

(adopted on 17th April 1996)


PRELIMINARY

1. The regulations contained in Table A in the Companies (Tables A to F) Regulations 1985 (hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby. The regulations of Table A numbered 3, 35, 41, 64, 73 to 80 (inclusive) and 93 shall not apply to the Company and in lieu thereof and in addition to the remaining regulations of Table A (subject to the modifications hereinafter expressed), the Articles hereinafter contained shall constitute the regulations of the Company.

2. The Company is a private company and accordingly no offer shall be made to the public (whether for cash or otherwise) of any shares in or debentures of the Company and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. Subject to the provisions of these Articles, the shares shall be under the control of the Directors and the Directors may allot, grant options over, or otherwise deal with or dispose of any relevant securities (as defined by s.80(2) of the Companies Act 1985) of the Company to such persons and generally on such terms and in such manner as they think fit.

4. Subject to the provisions of Article 7, the general authority conferred by Article 3 hereof shall extend to all securities of the Company from time to time unissued during the currency of such authority. The said general authority shall expire on the fifth anniversary of the date of adoption of these Articles unless varied or revoked or



A.G. WITTS
CHAIRMAN

renewed by the Company in General Meeting.

5. Subject to the provisions of Article 7, the Directors shall be entitled under the general authority conferred by Article 3 to make at any time before the expiry of such authority any offer or agreement which will or may require securities to be allotted after the expiry of such authority.

6. In accordance with section 91(1) of the Companies Act 1985 sections 89(1) and 90(1) to (6) (inclusive) shall be excluded from applying to the Company.

7. Notwithstanding any other Article in these Articles of Association, unless the Company in General Meeting by Ordinary Resolution resolves otherwise:-

(A) Any unissued shares in the Company (whether part of the present authorised share capital or created as the result of any increase in the authorised share capital in the Company) shall be offered for subscription in the first instance to the holders of the then issued shares in the Company (in the case of competition pro rata as nearly as may be to the number of the issued shares in the Company then held by them respectively).

(B) Any offer made in accordance with this Article shall be made by notice in writing specifying the number description and price of the shares offered and limiting the time (not being less than twenty one days) within which the offer if not accepted shall be deemed to be declined.

(C) At the expiration of the time limited by such offer for the acceptance of such shares or the earlier receipt of an intimation from the Member to whom the offer is made that he or she declines to accept the shares offered, such shares may within two months thereafter be issued by the Directors to any persons firms or companies at a price being not less than the price at which such shares were offered to the existing Members pursuant to this Article 7.

SHARE CAPITAL

8. The authorised share capital of the Company as at the date of adoption of these Articles is £5,000 divided into 5,000 Ordinary Shares of £1 each ranking pari passu in all respects.

LIEN

9. The Company shall have a first and paramount lien on all shares (whether or not fully paid) standing registered in the name of any person, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all monies presently payable by him or his estate to the Company; and regulation 8 of Table A shall be modified accordingly.

TRANSFERS - GENERAL

10. An instrument of transfer of a share (other than a partly paid share) need not be executed by or on behalf of the transferee.

11. Subject (in the case of transmission of shares) to Regulations 29 to 31 (inclusive) of Table A the Directors shall not register any transfer of shares in the Company except in the circumstances permitted in Article 12, but shall have no right to refuse to register any transfer of shares in the Company made in accordance with Article 12.

TRANSFERS TO TRUSTEES, NOMINEES, ASSOCIATED COMPANIES,
FAMILY MEMBERS AND OTHER THIRD PARTIES

12. (A) (1) Without prejudice to Regulation 5 of Table A, any share held by a Member as nominee or trustee may be transferred to any other person or persons provided that the transferor certifies to the Company, and the Company is satisfied, that no beneficial interest in such shares passed by reason of the transfer.
- (2) Any Member which is a body corporate may transfer all (but not part) of the shares held by it in the Company to its ultimate parent company or any other body corporate controlled, directly or indirectly, by its ultimate parent company (or controlled by itself if it is the ultimate parent company) Provided always that the transferor and transferee give an undertaking to the Company that, in the event of such transferee ceasing to be controlled directly or indirectly by such ultimate parent company and immediately prior to it so ceasing, such shares shall be transferred to such ultimate parent company.
- (3) Any share may be transferred at any time by a

Member to any other person with the written consent of all the other Members for the time being of the Company.

- (4) Any share may be transferred by a Member to a member of his family and for the purposes of this Article 12 "member of his family" shall mean a wife, husband or issue.
- (5) Any share may be transferred by a Member to the trustees of a settlement the sole beneficiaries of which are members of his family ("a family settlement") or to the trustees of a pension fund the sole beneficiaries of which are the Directors for the time being of the Company ("a directors' pension fund").
- (6) Any share in the name or names of the trustees of a family settlement may be transferred to a beneficiary of that settlement or of any other family settlement being a member of the family of a Member and to new trustees of such settlement or settlements and any share in the name or names of the trustees of a directors' pension fund may be transferred to a beneficiary of that fund and to new trustees of such fund.
- (7) Any shares held by a Member may be transferred to a body corporate controlled directly or indirectly by such Member or members of his family (hereinafter called "a family-controlled company") (provided that such family-controlled company gives an undertaking to the Company that in the event of such Member or members of his family ceasing to control directly or indirectly such family-controlled company, such shares shall be transferred to such Member or members of his family) and any shares held by a family-controlled company may be transferred to such Member and members of his family and will be so transferred if such Member and members of his family cease to control directly or indirectly such family-controlled company.
- (8) Any such transfer as is referred to in subparagraphs (4) to (7) inclusive of this Article 12 (A) and any subscription by a

- (9) Notwithstanding any other provisions of these Articles, any shares in the capital of the Company that are subject on the death of a Member to options contained in an Agreement dated _____ made between A G Witts and L J Maynard (as amended from time to time) may on the death of a relevant Member be transferred pursuant to the exercise of such options. A copy of such Agreement (and of any amendment) shall be lodged with the Company for record purposes. For so long as any such options are exercisable any Sale Notice served or deemed to have been served in respect of such shares shall be in abeyance, and time shall cease to run under such Sale Notice and no action may be taken in respect of such Sale Notice until such options have ceased to be exercisable, and the implementation of any such Sale Notice shall be subject to any transfer of shares made pursuant to any of the said options.
- (10) Notwithstanding any other provisions of these Articles, any shares in the capital of the Company that are subject to options contained in a Share Option Agreement dated _____ made between T Rance A G Witts and L J Maynard (as amended from time to time) may be transferred pursuant to the exercise of such options. A copy of such Share Option Agreement (and of any amendment) shall be lodged with the Company for record purposes. For so long as any such options are exercisable any Sale Notice served or deemed to have been served in respect of such shares

shall be in abeyance, and time shall cease to run under such Sale Notice and no action may be taken in respect of such Sale Notice until such options have ceased to be exercisable, and the implementation of any such Sale Notice shall be subject to any transfer of shares made pursuant to any of the said options.

TRANSFERS BY MEMBERS - PRE-EMPTION RIGHTS

12. (B) Save as provided in Articles 11 and 12 (A), the Members shall not be entitled to transfer any shares in the capital of the Company (or any interest therein) except in accordance with the following provisions of this Article 12 (B) :-

- (1) Any Member wishing to transfer part or all of the shares held by him or any interest therein, (hereinafter referred to as the "Retiring Shareholder") shall first give a notice in writing (hereinafter referred to as a "Sale Notice") to the Company specifying the number and denoting numbers (if any) of the shares which the Retiring Shareholder wishes to sell or transfer or the interest in which the Retiring Shareholder wishes to transfer, ("the Sale Shares") which notice shall constitute the Company the agent of the Retiring Shareholder for the sale of the Sale Shares at Market Value (such value to be determined in accordance with the provisions of paragraph (5) of this Article 12(B) and otherwise in accordance with the provisions of this Article 12 (B)).
- (2) On receipt of a Sale Notice the Company shall:-
 - (i) offer the Sale Shares (or such of them as the Board may determine) at Market Value to New Qualifying Shareholders, which offer shall remain open for acceptance for such period (not exceeding thirty days) as the Board may determine; and
 - (ii) secondly offer at Market Value such Sale Shares as shall not have been taken up by or offered to New

Qualifying Shareholders pursuant to sub-paragraph (i) above, to all the Members apart from the Retiring Shareholder in proportion as nearly as may be to the nominal amount of their existing holdings of shares in the Company. Such offer shall to the extent that the same is not accepted within sixty days be deemed to be declined and any remaining Sale Shares which have not been accepted shall forthwith be re-offered at Market Value to the Members who have already accepted Sale Shares and if there be more than one such Member (then in case of competition) in proportion as nearly as may be to their existing holdings of shares in the Company. If any Sale Shares shall not be capable without fractions of being offered to the Members in proportion to their existing holdings, the same shall be offered to the Members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the Directors think fit.

- (3) If the Company shall within ninety days after service of a Sale Notice find purchasing Members in respect of all or any of the Sale Shares it shall give notice thereof to the Retiring Shareholder which notice shall provide:-
- (i) the price for the Sale Shares is to be Market Value determined in accordance with Article 12(B)(5);
 - (ii) subject to the proviso contained in Article 12(C) below the Retiring Shareholder shall have the right to revoke his Sale Notice and the purchasing Member(s) shall have the right to withdraw from the proposed purchase until the price is agreed between them within the time limit referred to in Article 12 (B)(5) or within seven days of the date of the

auditors certificate or Chartered Accountant's certificate referred to in Article 12 (B)(5) hereof whichever shall be applicable; and

- (iii) if the Retiring Shareholder does not revoke his Sale Notice and the purchasing Members do not withdraw pursuant to paragraph (ii) above then they shall be bound to complete the sale and purchase at the registered office of the Company within seven days of the end of the period of revocation or withdrawal specified in paragraph (ii) above.
- (4) If the Company shall not within the space of ninety days after service of a Sale Notice find purchasing Members for all of the Sale Shares or if through no default of the Retiring Shareholder the purchase of any of the Sale Shares is not completed within the time period provided by Article 12 (B)(3) (iii) above the Retiring Shareholder shall be at liberty at any time within sixty days of the service on him of the said notice after the expiry of the said ninety days or within sixty days after the time period provided by Article 12 (B)(3) (iii) above (as the case may be) to transfer such of the Sale Shares as were not accepted by purchasing Members or in respect of which the sale was not completed as aforesaid to any person he may wish PROVIDED THAT such sale is completed at Market Value or any higher or (subject as provided below) lower price and that the terms of payment of the purchase price are no more favourable to the Purchaser than those offered to the Members AND PROVIDED FURTHER THAT no Sale Shares shall be sold at a lower price than Market Value without the Retiring Shareholder first serving a further Sale Notice upon the Company specifying such lower price as the price at which such Sale Shares are offered and all the provisions of this Article 12(B) shall apply to such further Sale Notice save that the periods for acceptance shall be twenty one, forty-two and sixty-three days instead of thirty, sixty and ninety days (as the case may be) and that the Market Value shall be such lower price.

(5) The Market Value of the Sale Shares shall be determined as follows:-

- (i) by agreement between the Retiring Shareholder and the purchasing Members, but if no such agreement has been reached within seven days of the first offer by the Company of such Sale Shares to New Qualifying Shareholders or (if there is none) within ten days of the first offer by the Company of such Sale Shares to existing Members then and in such event Article 12(B)(5)(ii) shall apply,
- (ii) by the certificate of the auditors for the time being of the Company, but if, within seven days after giving notice of the said auditors certificate to the Retiring Shareholder and the purchasing Members, the Company receives written notice from either the Retiring Shareholder or any of the purchasing Members disputing the said auditors certificate then and in such event Article 12 (B) (5) (iii) shall apply,
- (iii) by the certificate of an independent Chartered Accountant of not less than five years standing to be agreed between the Retiring Shareholder and the purchasing Members and in default of agreement to be appointed at the request of either the Retiring Shareholder or any of the purchasing Members by or on behalf of the President for the time being of The Institute of Chartered Accountants in England and Wales,
- (iv) the Market Value of the Sale Shares shall in all cases be calculated on the basis that the sale is between a willing seller and a willing purchaser of the Sale Shares so offered (as at the accounting reference date of the Company immediately preceding the date of the Sale Notice).

- (v) any auditor of the Company certifying the Market Value of such Sale Shares shall act as an expert and not as an arbitrator and (in the absence of receipt by the Company within the specified time limit of such a notice as is referred to in Article 12 (B) (5) (ii)) his certificate shall be final and binding on the parties,
 - (vi) any independent Chartered Accountant certifying the Market Value of such Sale Shares shall act as an expert and not as an arbitrator and his decision and certificate shall be final and binding on the parties.
- (6) If any shareholder fails to carry out the sale of any of the Sale Shares after he has become bound to do so under these Articles of Association then and in any such event the Directors may authorise some person to execute a transfer of the Sale Shares to the purchasing Member(s) and the Company may give a good receipt for the purchase price and may enter in the register of members the purchasing Member(s) as holders thereof and issue to them certificates for the same whereupon the purchasing Member(s) shall become indefeasibly entitled thereto. The transferring shareholder shall in such case be bound to deliver up his certificate for the Sale Shares to the Company whereupon such shareholder shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for such shareholder but without interest. If such certificate shall comprise any shares which the transferring shareholder has not become bound to transfer as aforesaid the Company shall issue to such shareholder a balance certificate for such shares.
- (7) The cost of obtaining a certificate pursuant to Article 12 (B) (5) above shall be borne, as to the auditor's certificate, by the Company and, as to any independent Chartered Accountant's certificate, by the party requesting the appointment of the independent Chartered Accountant Provided that if any

Retiring Shareholder shall within twelve months of revoking a Sale Notice serve a further Sale Notice in respect of any of the shares comprised in an earlier Sale Notice the cost of obtaining any certificate relating to such further Sale Notice shall be borne wholly by such Retiring Shareholder.

- (8) For the purpose of this Article 12 the expression "New Qualifying Shareholder" shall mean such person or persons as shall be employed by the Company or any of its subsidiaries as replacement(s) for the Retiring Shareholder(s) as the Board may determine.

DEEMED SALE NOTICE

12.(C) In any case where a Director or employee of the Company dies or ceases for any reason (and whether lawfully or otherwise) to be either a Director or employee of the Company (and is not continuing as either a Director or employee of the Company) or where a Member (being an individual) becomes bankrupt or where a Member (being a corporation) enters into liquidation, administration or administrative receivership there shall in any such case be deemed to have been served a Sale Notice pursuant to Article 12(B) above in respect of his or its entire holding (including any shares held by any nominee for such Member and any shares at any time transferred by him or it pursuant to Article 12 (A)(4) to (7) inclusive and any shares held by a relevant family-controlled company) of shares in the Company and the provisions of Article 12(B) above shall apply in relation thereto PROVIDED ALWAYS that the provisions relating to revocation of a Sale Notice contained in Article 12(B)(3)(ii) shall not apply and a Sale Notice deemed to be given by such Director or employee, individual or corporation in the circumstances herein referred to shall not be revocable without the written consent of all the Members of the Company.

13. If within one hour from the time appointed for the holding of a General Meeting a quorum be not present, the Meeting shall stand adjourned to the same day in the next week (or if that day is a holiday, the next working day) thereafter at the same time and place as the original meeting unless the Directors unanimously determine otherwise, and if at the adjourned Meeting a quorum shall not be present within one hour from the time appointed for the meeting, the Member or Members present shall be a quorum.

14. There shall be added at the end of Regulation 82 of Table A after the word "day" the words "and be divided amongst the Directors as they shall see fit".

15. Regulation 53 of Table A shall apply to the Company and the words "(including telexes or facsimile communications)" shall be inserted after the word "instrument".

16. A Director shall not be required to hold any share qualification.

17. Any Director who, by request, performs special services or goes or resides abroad for any purpose of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.

18. A Director may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising thereout and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration; and Regulations 85 and 94 of Table A shall be modified accordingly.

19. Regulation 81 of Table A shall not (save as hereinafter repeated) apply to the Company. The office of Director shall be vacated:-

- (A) if he resigns his office by notice in writing to the Company; or
- (B) if he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (C) if he becomes prohibited from being a Director by reason of any order made under the Company Directors (Disqualification) Act 1986; or
- (D) if he becomes of unsound mind; or
- (E) if he is removed from office under Section 303 of the Companies Act 1985.

No Director shall vacate office nor shall any person be ineligible for appointment as a Director, by reason only of his attaining or having attained any particular age.

20. The Company may by Ordinary Resolution increase or reduce the permitted number of Directors.

21. Any Director shall have power at any time to appoint

any person to be an alternate Director to represent the Director appointing him, who may at any time remove such alternate Director so appointed from office. An alternate Director so appointed shall not, except by virtue of an agreement with the Director whom he represents entitling him to part of the remuneration which would otherwise be payable to such Director be entitled to receive any remuneration from the Company, but shall otherwise be subject to the provisions of these presents with regard to Directors. An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors and, in the absence of the Director whom he represents to attend and vote at all meetings of the Directors and to perform all the functions of such Director as a Director. An alternate Director shall ipso facto cease to be an alternate Director if the Director whom he represents (A) gives notice to the Company terminating such appointment, or (B) ceases for any reason to be a Director. Any such appointment or removal shall take effect when the written notice effecting the same is delivered to the registered office of the Company, or to the Secretary, or is produced at a meeting of the Directors. A person may act as alternate Director to represent more than one Director, and an alternate Director shall be entitled at meetings of the Directors to one vote for every Director whom he represents in addition to his own vote as Director if he is a Director in his own right.

22. A resolution in writing signed by all the Directors entitled to notice of a Meeting of the Directors or their alternates shall be as valid and effectual as if it had been passed at a Meeting of the Directors duly called and constituted and may consist of several documents (including telexes or facsimile communications) in the like form each signed by one or more of the Directors.

23. Unless and until the Company in General Meeting shall otherwise determine, there shall not be any limit as to the maximum number of Directors. There shall not be less than one Director. If and for so long as there is a sole Director, he may exercise all the powers and authorities vested in the Directors by these Articles or Table A.

ADDITIONAL POWERS

24. Subject to the provisions of Part V of the Companies Act 1985 the Company may:

- (A) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company

or the shareholder,

- (B) purchase its own shares (including any redeemable shares),
- (C) make a payment in respect of the redemption or purchase under Section 160 or (as the case may be) Section 162 of the Companies Act 1985 and the relevant power (A) or (B) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by Section 171 of the Companies Act 1985.

NOTE

New Articles of Association adopted pursuant to Special Resolution dated 17th April 1996 .