

Private & Confidential

LING DYNAMIC SYSTEMS LIMITED
(Registered in England - No. 1539186)

WRITTEN RESOLUTIONS

(Passed 4th ^{September} ~~August~~ 1996)

Pursuant to section 381A of the Companies Act 1985 the following
Resolutions are hereby passed as a Special Resolution:

SPECIAL RESOLUTIONS

- 1 That the Articles of Association of the Company be altered:
 - (a) by inserting in Article 10 the words "or capital" after the word "profits";
and
 - (b) by inserting in Article 4(A) the words:

"(save that, in relation to the dividend to be paid on 15th
September 1996, this shall be paid on 15th October 1996)"

after the words "those dates" in the ninth line of this sub-section.
- 2 That the Purchase Contract expressed to be made between Mr J H Rutherford and others (1) and the Company (2) and to provide for the purchase by the Company (contingently on and subject to the fulfilment of the following condition, namely that no application is made pursuant to section 176 of the Companies Act 1985 by any member or creditor of the Company for the cancellation of Written Resolution No.3 within the 5 week period commencing on the date hereof) of 1,704,042 Preference Shares of £1 each of the Company, a final draft whereof marked "A" is attached to these Resolutions be and the same is hereby approved and the Directors be and they are hereby authorised to procure the Company to enter into such Purchase Contract.
- 3 That the proposed payment of £665,648 out of capital by the Company for the purchase of 1,704,042 Preference Shares of the Company pursuant to the Purchase Contract referred to in Resolution No. 2 above be and the same is hereby approved.



27 - 09 - 96

Signed by all the ordinary shareholders of the Company in their capacity as such who at the date of the Resolutions (being the date when the Resolutions are signed by or on behalf of the last member to sign) would be entitled to attend and vote at a general meeting of the Company had the Resolutions been put to such a meeting:

Signature: *J.R.* X

Name: Mr J. Rutherford

Date of signature *30th AUGUST.*1996 X

27 - 09 - 96

Signed by all the ordinary shareholders of the Company in their capacity as such who at the date of the Resolutions (being the date when the Resolutions are signed by or on behalf of the last member to sign) would be entitled to attend and vote at a general meeting of the Company had the Resolutions been put to such a meeting:

Signature: *S. J. Titcomb* X

Name: Mr S.J. Titcomb

Date of signature *September 3* 1996 X

27 - 09 - 96

Signed by all the ordinary shareholders of the Company in their capacity as such who at the date of the Resolutions (being the date when the Resolutions are signed by or on behalf of the last member to sign) would be entitled to attend and vote at a general meeting of the Company had the Resolutions been put to such a meeting:

Signature:

A.C. Titcomb X

Name:

Mrs A.C. Titcomb

Date of
signature

3rd September 1996 X

27 - 09 - 96

Signed by all the ordinary shareholders of the Company in their capacity as such who at the date of the Resolutions (being the date when the Resolutions are signed by or on behalf of the last member to sign) would be entitled to attend and vote at a general meeting of the Company had the Resolutions been put to such a meeting:

Signature:

Robert A. Titcomb

Name:

Mr P.R. Mitchell & Mrs A.C. Titcomb

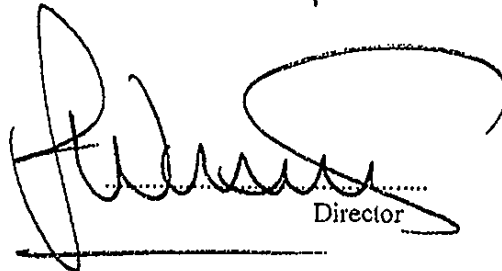
Date of
signature

4th September 1996

I, C. J. Williams being a Director of the Company, hereby certify that:

1. In accordance with paragraphs 5(3) and 6(3) of Schedule 15A Companies Act 1985 a copy of the final draft of the Purchase Contract referred to in Resolution No. 2, the Statutory Declaration made in accordance with section 173(3) Companies Act 1985 and the report of the Company's auditors made pursuant to section 173(5) Companies Act 1985 in connection with Resolution No 2 were supplied to each relevant member at or before the time at which the Resolutions were supplied to such member for signature.
2. A copy of the above Resolutions were sent to the Company's auditors in accordance with section 381B Companies Act 1985.
3. Accordingly the Resolutions have effect and pursuant to section 381A(5) Companies Act 1985 are deemed to have been passed on ~~4th August~~ 1996

September



Director

" A "

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Final Draft
TPLF/149/Z122214
TF0608.1

DATED 1996

J.H. RUTHERFORD ESQ. AND OTHERS (1)

and

LING DYNAMIC SYSTEMS LIMITED (2)

PURCHASE CONTRACT
for the purchase by Ling Dynamic Systems Limited
of 1,704,042 of its Preference Shares of £1 each

Norton Rose
London

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THIS AGREEMENT is dated 1996 and is made BETWEEN:

- (1) The persons whose names and addresses are stated in schedule 1 (together "the Vendors")
- (2) LING DYNAMIC SYSTEMS LIMITED (No. 1539186) whose registered office is at Heath Works, Baldock Road, Royston, Hertfordshire SG8 5BQ ("the Company")

WHEREAS:

- (A) the written resolutions, the text whereof is set out as schedule 2, was duly agreed to by all of the members of the Company on August 1996.
- (B) on 29th August 1996 the Directors of the Company made a Statutory Declaration in compliance with section 173 Companies Act 1985 and such Declaration has annexed to it a Report dated 29th August 1996 addressed to the Directors of the Company by Messrs. BDO Stoy Hayward, Chartered Accountants, the auditors of the Company, also in compliance with the said section.

NOW IT IS HEREBY AGREED as follows:

1 Purpose and Definitions

- 1.1 This is an Agreement for the sale and purchase of the Purchased Shares (as defined in clause 1.2).
- 1.2 In this Agreement the following expressions have the following meanings:

"the Purchased Shares" means 1,704,042 Preference Shares of £1 each of the Company which are owned by the Vendors in the respective numbers stated against their names in column (3) of schedule 1

"the Company's Solicitors" means Norton Rose, P.O. Box 570, Kempson House, Camomile Street, London, EC3A 7AN

- 1.3 References to clauses sub-clauses and schedules are unless otherwise stated to clauses and sub-clauses of and schedules to this Agreement.
- 1.4 Any document expressed to be "in the agreed form" means a document in a form approved by (and for the purpose of identification signed by or on behalf of) the parties hereto.
- 1.5 Words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include bodies corporate or unincorporate.
- 1.6 The headings to the clauses are for convenience only and have no legal effect.

2 Condition Precedent

- 2.1 This Agreement is conditional on no application being made pursuant to section 176 of the Companies Act 1985 by any member or creditor of the Company for the cancellation of Written Resolution No. 2 set out in schedule 2 within the 5 week period commencing on the date of the passing of those written resolutions.

3 Sale of the Purchased Shares

- 3.1 The Vendors shall sell the Purchased Shares to the Company together with all rights now attached thereto free from all encumbrances and (subject thereto)

with full title guarantee and the Company shall purchase the Purchased Shares with effect from the date hereof.

- 3.2 For the purposes of this clause 2 "encumbrances" includes all claims, liens, charges, encumbrances and equities and other rights exercisable by third parties.

4 Consideration

- 4.1 The consideration for the sale of the Purchased Shares shall be the payment to the Vendors of £1,704,042 in cash in the proportions set out in column (3) of schedule 1.

5 Completion

- 5.1 Completion shall take place on such date (not being after 15th October 1996) as shall be agreed between the parties when all (but not part only unless the parties shall so agree) of the following business shall be transacted:

(a) the Vendors shall:

(i) surrender to the Company the share certificates in respect of the Purchased Shares; and

(ii) deliver to the Company:

(A) a duly executed transfer of the Purchased Shares; and

(B) such other documents (if any) as may be required to give a good title to the Purchased Shares and as would enable a purchaser to become the registered holder thereof;

- (b) the Company shall pay by banker's drafts to the Vendors a total of £1,704,042 as stated in column (3) of schedule 1;
- (c) the Purchased Shares shall be cancelled in accordance with Chapter VII, Part V Companies Act 1985

6 Choice of law, submission to jurisdiction and address for service

- 6.1 This Agreement shall be governed by and interpreted in accordance with English law.
- 6.2 The parties hereby submit to the non-exclusive jurisdiction of the High Court of Justice in England.

IN WITNESS whereof this Agreement has been entered into the day and year first above written.

Schedule 1The Purchased Shares

(1) Name of Vendor	(2) Address	(3) Preference Shares
Mr. J.H. Rutherford	Sparrows End Newport Saffron Walden Essex CB11 3TT	617,457
Mr. S.J. Titcomb	Plummerden House Lindfield West Sussex RH16 2QS	273,352
Mrs. A.C. Titcomb	Plummerden House Lindfield West Sussex RH16 2QS	160,000
Mr. P.R. Mitchell & Mrs. A.C. Titcomb	Meyrick Mills 48 Onslow Gardens London SW7 3AH	72,272
Mr. C.J. Titcomb	20 Castle Mills Waterside Knaresborough North Yorkshire HG5 8DE	50,000
Mrs. D.D. Titcomb	11 Burns Green Benington Stevenage Herts SG2 7DA	50,000
Mrs. C.M.A. Bushell	21 Heywood Drive Bagshot Surrey GU19 5DL	50,000
Mrs. A. St. J. Rutherford	Sparrows End Newport Saffron Walden Essex CB11 3TT	240,657

Co-operative Insurance
Society Limited

Miller Street
Manchester
M60 0AL

190,304

1,704,042

Schedule 2

Written Resolutions of the ordinary shareholders
of the Company in their capacity as such

SPECIAL RESOLUTIONS

- 1 That the Articles of Association of the company be altered by:
 - 1.1 inserting in Article 10 the words "or capital" after the word "profits";
 - 1.2 by inserting in Article 4(A) the words:

"(save that, in relation to the dividend to be paid on 15th
September 1996, this shall be paid on 15th October 1996)"

after the words "those dates" in the ninth line of this sub-section.
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- 3 That the proposed payment of £665,648 out of capital by the Company for the purchase of 1,704,042 Preference Shares of the Company pursuant to the Purchase Contract referred to in Resolution No. 2 above be and the same is hereby approved.

SIGNED by)
MR. J.H. RUTHERFORD)
in the presence of:)

SIGNED by)
MR. S.J. TITCOMB)
in the presence of:)

SIGNED by)
MRS. A.C. TITCOMB)
in the presence of:)

SIGNED by)
MR. P.R. MITCHELL)
and MRS. A.C. TITCOMB)
in the presence of:)

SIGNED by)
MR. C.J. TITCOMB)
in the presence of:)

SIGNED by)
MRS. D.D. TITCOMB)
in the presence of:)

SIGNED by)
MRS. C.M.A. BUSHELL)
in the presence of:)

SIGNED by)
MRS. A. ST.J. RUTHERFORD)
in the presence of:)

SIGNED by
for and on behalf of
CO-OPERATIVE INSURANCE
SOCIETY LIMITED
in the presence of:

)
)
)
)
)

Director

Director/Secretary

SIGNED by
for and on behalf of
LING DYNAMIC SYSTEMS
LIMITED
in the presence of:

)
)
)
)
)

Director

Director/Secretary