

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

WRITTEN RESOLUTION

(Passed 9th October 1996)

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

SPECIAL RESOLUTION

- 1 That the Purchase Contract expressed to be made between J.H. Rutherford and others (i) and the Company (ii) and to provide for the purchase by the Company 925,000 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.

Signed by all the members of the Company who at the date of the Resolution (being the date when the Resolution 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 Resolution been put to such a meeting:

Signature:

[Handwritten signatures: P.R. Mitchell and A.C. Titcomb]

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

Date of
signature

9th October 19*96*



Private & Confidential

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Signature: 

Name: Mrs A.C. Titcomb

Date of signature 9th October 1996

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Signed by all the members of the Company who at the date of the Resolution (being the date when the Resolution 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 Resolution been put to such a meeting:

Signature: S. J. Titcomb

Name: Mr S.J. Titcomb

Date of signature 9th Oct 19.96

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Signed by all the members of the Company who at the date of the Resolution (being the date when the Resolution 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 Resolution been put to such a meeting:

Signature: 

Name: J.H. Rutherford

Date of
signature 8th October 1996

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(Passed 9th October 1996)

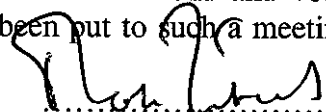

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Signed by all the members of the Company who at the date of the Resolution (being the date when the Resolution signed by or on behalf of the last member to sign) would be entitled to attend and vote at a general meeting of the Company had the Resolution been put to such a meeting:

Signature:

Name:

Mr. M.C. Titcomb and Mrs. C.M.A. Bushell

Date of
signature

9th October 1996

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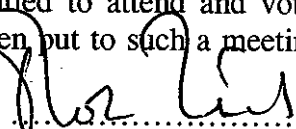
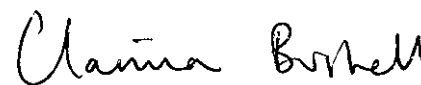
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Signed by all the members of the Company who at the date of the Resolution (being the date when the Resolution signed by or on behalf of the last member to sign) would be entitled to attend and vote at a general meeting of the Company had the Resolution been put to such a meeting:

Signature:

Name:

Mrs. C.M.A. Bushell and Mr. M.C. Titcomb

Date of
signature

9th October 1996

Private & Confidential

u A u

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 925,000 of its Preference Shares of £1 each

Norton Rose
London

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Clause

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Schedule

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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 the written resolution, the text whereof is set out as schedule 2, was duly agreed to by all of the members of the Company, who would at the date of the written resolution have been entitled to attend and vote at the general meeting of the Company had the written resolution been put to such a meeting on 9 October 1996.

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 925,000 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

- 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 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.

1.5 The headings to the clauses are for convenience only and have no legal effect.

2 Sale of the Purchased Shares

2.1 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.

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

3 Consideration

3.1 The consideration for the sale of the Purchased Shares shall be £1.07 per Preference Share of the Company (inclusive of the dividend payable on 15 October, 1996) giving the payment to the Vendors of £989,750 in cash in the proportions set out in column (4) of schedule 1.

4 Completion

4.1 Completion shall take place on such date 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 cheque to the Vendors a total of £989,750 as stated in column (4) of schedule 1;
- (c) the Purchased Shares shall be cancelled in accordance with Chapter VII, Part V Companies Act 1985

5 Counterparts

- 5.1 This Agreement may be entered into in the form of two or more counterparts each executed by one or more of the parties and, provided that all parties so enter into the Agreement, each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original, but, taken together, they shall constitute one instrument.

6 Choice of law, submission to jurisdiction

- 6.1 This Agreement shall be governed by and interpreted in accordance with English law.
- 6.2 The parties hereby submit to the 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 1
The Purchased Shares

(1) Name of Vendor	(2) Address	(3) Preference Shares	(4) Consideration to be paid
Mr. J.H. Rutherford	Sparrows End Newport Saffron Walden Essex CB11 3TT	367,348	393,062.36
Mr. S.J. Titcomb	Plummerden House Lindfield West Sussex RH16 2QS	167,348	179,062.36
Mrs. A.C. Titcomb	Plummerden House Lindfield West Sussex RH16 2QS	100,000	107,000.00
Mrs. D.D. Titcomb	11 Burns Green Benington Stevenage Herts SG2 7DA	50,000	53,500.00
Mrs. C.M.A. Bushell	21 Heywood Drive Bagshot Surrey GU19 5DL	50,000	53,500.00
Co-operative Insurance Society Limited	Miller Street Manchester M60 0AL	190,304	203,625.28
		<u>925,000</u>	<u>989,750.00</u>

Schedule 2

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

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 of 925,000 Preference Shares of £1 each of the Company, a final draft whereof marked "A" is attached to this Resolution 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.

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

SIGNED by)
MRS. C.M.A. BUSHELL)
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

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