

**Company number: 02395647**

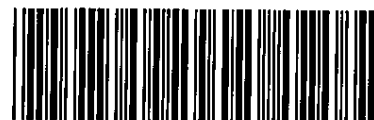
**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS**

**OF**

**GWERN AFALAU CYFYNGEDIG (the "Company")**

TUESDAY



\*AC2TH3DE\*

A26

23/09/2008

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COMPANIES HOUSE

**Circulation date:**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that resolution 1 is passed as a Special Resolution (the "Special Resolution") and resolutions 2,3,4 and 5 are passed as ordinary resolutions (the "Ordinary Resolutions")

**RESOLUTIONS**

**Special Resolution**

- 1 THAT, the articles of association attached hereto and, for the purposes of identification initialled by each of us be adopted as the articles of association of the Company in substitution for all existing articles of association of the Company

**Ordinary Resolutions**

- 2 THAT, 50 of the authorised but unissued ordinary shares of £1 each in the capital of the Company be reclassified as 50 preferred cumulative preferred participating shares of £1 each (Preferred Ordinary Shares), each having such rights as provided for in the articles of association of the Company proposed to be adopted pursuant to resolution 1 above
- 3 THAT, each of the ordinary shares of £1 issued in the names of the following members of the Company be converted and redesignated as "B" ordinary shares of £1 in the capital of the Company subject to the provisions of the articles of association of the Company proposed to be adopted pursuant to resolution 1 above

Osborn Pierce Jones	50
Glesni Jones	<del>25</del> 101
Ioan Prys	5
Lois Prys	5
Angharad Williams nee Prys	5

Q  
K.W.  
C.A.  
I.P.

- 4 THAT, the directors be and are hereby empowered pursuant to section 95 of the Companies Act 1985 (the Act) to allot equity securities (which expression shall have the meaning ascribed to it in section 94 of the Act) as if [insert article] did not apply to any such allotment, provided that this authority is for a period expiring five years from the date of this resolution, save that the company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired
- 5 THAT the pre-emption provisions set out in the Company's current articles of association or elsewhere should not apply to such allotments the issues of shares in accordance with resolution 2 above

#### AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Special Resolutions and the Ordinary Resolutions

The undersigned, a person entitled to vote on the above resolutions on [INSERT CIRCULATION DATE], hereby irrevocably agrees to the Special Resolutions and the Ordinary Resolution

Signed by

Osborn Pierce Jones

Glesni Jones

Barry Jones

Rhiannon Jones

John LI Jones

Joyce Jones

Wil Aaron

Carys Aaron

M Alwen Jones (D)

Alun Ffred Jones

*Osborn Pierce Jones*  
*Glesni Jones*

*[Signature]*

*C.A.*

Dafydd W Wigley

Owen T Jones

N E S T A

Ioan Prys

Lois Prys

Angharad Prys

Elinor Wigley

Huw Jones

Sian Jones

Steven Jones


Sian Jones

Alwyn Morus

Gwenda Pritchard

Barry Jones

John B Jones



Date

## NOTES

- 1 You can choose to agree to all of the Special Resolutions and the Ordinary Resolution or none of them, but you cannot agree to only some of the resolutions. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company together with initialled copies of the various attachments using one of the following methods

- **By hand** delivering the signed copy and initialled attachments to [ ] at the Company's registered office
- **Post** returning the signed copy and initialled attachments by post to [ ] at the Company's registered office
- **Fax** faxing the signed copy and initialled attachments to [FAX NUMBER] marked "For the attention of [ ]"

If you do not agree to all of the resolutions, you do not need to do anything - you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to the resolutions, you may not revoke your agreement
- 3 Unless, by [LAPSE DATE], sufficient agreement has been received for the resolutions to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us on or before this date



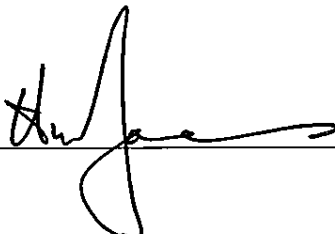
**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi HUW JONES o Y BULAN, LLANDUDOG, CAERNARFON

yn dirprwyo OSBORN JONES i bleidleisio ar fy rhan yn y Cyfarfod

Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd 

Dyddiad 28.8.08.

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒

**2. Penderfyniad Cyffredin**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒



**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi OWEN JONES o 68 Mill Road, Llyr-faen, Caerdydd

yn dirprwyo OSBORN JONES i bleidleisio ar fy rhan yn y Cyfarfod

Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Ciblyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd

Dyddiad

22/08/08

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid

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Yn erbyn

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Yn ôl doethineb y dirprwywr

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**2. Penderfyniad Cyffredin**

O blaid

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Yn erbyn

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Yn ôl doethineb y dirprwywr

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**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi Eluned Bennett Lingley, Hen Efail, Bontnewydd

yn dirprwyo GLESNI JONES i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd Eluned Bennett Lingley

Dyddiad 24/8/2008

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☒ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☐

**2. Penderfyniad Cyffredin**

O blaid ☒ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☐



**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi Alwyn Morris o Burnside, Pontllyfni  
yn dirprwyo Osborn Jones i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd A. Morris  
Dyddiad 9/9/08

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒

**2. Penderfyniad Cyffredin**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒





**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi Gwenda Lloyd Morus o Burnside, Pontllyfni  
yn dirprwyo Osborn Jones i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd G. Lloyd Morus

Dyddiad 9fed o Fedi 2008

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐

Yn erbyn ☐

Yn ôl doethineb y dirprwywr



**2. Penderfyniad Cyffredin**

O blaid ☐

Yn erbyn ☐

Yn ôl doethineb y dirprwywr





**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi Joyce Hwalelyn Jones, Cilmeri, yr Ala, Pwllheli  
yn dirprwyo John Hwalelyn Jones i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd Joyce Hwalelyn Jones.

Dyddiad Medi 8ed 2008

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**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☐

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**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi WILLIAM AARON o BODRAN, LLANDWROG, GWYNEDD  
yn dirprwyo CARIS AARON i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd William Aaron

Dyddiad 9 . 9 . 08

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒

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O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒



**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi Bryn Jones o 2 uwch Mawr, Siron.  
yn dirprwyo OSBORN JONES i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd

Dyddiad

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid

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Yn ôl doethineb y dirprwywr

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**2. Penderfyniad Cyffredin**

O blaid

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Yn erbyn

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Yn ôl doethineb y dirprwywr

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**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi STEVE JONES o SLING, TREGARTH

yn dirprwyo OSBORN JONES i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd 

Dyddiad 2/9/08

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☒ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☐

**2. Penderfyniad Cyffredin**

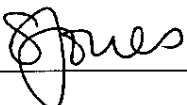
O blaid ☒ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☐



**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi SIÂN JONES o SLING, TREGARTH  
yn dirprwyo OSBORN JONES i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd 

Dyddiad 2/9/8

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☒ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☐

**2. Penderfyniad Cyffredin**

O blaid ☒ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☐



**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi Iorwys Prys o 16 Knes Segontium  
yn dirprwyo Osborn Jones i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 C1byn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd 

Dyddiad 2/09/08

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐

Yn erbyn ☐

Yn ôl doethineb y dirprwywr ☒

**2. Penderfyniad Cyffredin**

O blaid ☐

Yn erbyn ☐

Yn ôl doethineb y dirprwywr ☒



**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi Rhiannon Jones o 18 Cae Gwyn, Caernarfon  
yn dirprwyo Osborn Jones i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd M-Rh-Jones

Dyddiad 31 | 08 | 08

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒

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O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒





**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi John B Jones o Tryfan, Llanbedrog  
yn dirprwyo Osborn P Jones i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd 

Dyddiad 5-9-2008

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒

**2. Penderfyniad Cyffredin**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒



**GWERN AFALAU CYFYNGEDIG**  
Rhif y Cwmni /Company Number 02395647  
Llandwrog, Caernarfon, Gwynedd LL54 5TF

**PLEIDLAIS TRWY DDIRPRWYAETH**

Rwyf fi SIÂN JONES o Y BULAN, LLANDWROG, CAERNARFON  
yn dirprwyo GLENN JONES i bleidleisio ar fy rhan yn y Cyfarfod  
Arbennig o Gwernafalau Cyfyngedig, a fydd yn cael ei gynnal yn 30-31 Cibyn, Caernarfon ar  
y 9fed o Fedi 2008

Arwyddwyd Sian Jones

Dyddiad 28/8/08

**Cyfarfod Arbennig Dyddiedig 9fed o Fedi 2008**

**1. Penderfyniad Arbennig**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒

**2. Penderfyniad Cyffredin**

O blaid ☐ Yn erbyn ☐ Yn ôl doethineb y dirprwywr ☒

**Company No. 2395647**

**THE COMPANIES ACTS 1985 to 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**NEW  
ARTICLES OF ASSOCIATION**

**(adopted by special resolution passed on September 9<sup>th</sup> 2008)**

**of**

**GWERN AFALAU CYFYNGEDIG LIMITED**

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## PRELIMINARY

### 1 TABLE A

- 1 1 The regulations contained in Table A, save in so far as they are expressly excluded or varied by these Articles, and the regulations contained in these Articles shall together constitute the regulations of the Company
- 1 2 The regulations of Table A numbered 24, 40, 73 to 77 (inclusive), 80, 96, 101 and 118 do not apply to the Company

### 2 INTERPRETATION

- 2 1 In these articles unless the context otherwise requires each of the following words and expressions shall have the following meanings

<b>“acting in concert”</b>	shall have the meaning set out in the City Code on Takeovers and Mergers for the time being,
<b>“the Act”</b>	means the Companies Act 1985 and the Companies Act 2006 (to the extent in force) and where any specific provision of the Companies Act 1985 is referred to, this will include, where relevant, any equivalent provision of the Companies Act 2006
<b>“Auditors”</b>	means the auditors to the Company for the time being,
<b>“Bee Robotics”</b>	{means Bee Robotics Limited }
<b>“B Ordinary Shares”</b>	means the B ordinary shares of [£1 00] each in the capital of the Company having the rights set out in Article 4,
<b>“Board”</b>	means the board of directors of the Company for the time being or, as the context may require, any duly authorised committee,
<b>“Business Day”</b>	means any day except Saturday, Sunday or any Bank Holiday in England or Wales,
<b>“Controlling Interest”</b>	an interest (within the meaning of schedule 13 Part I and section 24 of the Act) in shares in the Company conferring in aggregate more than 50% of the total voting rights normally exercisable at a general meeting of the Company,
<b>“connected with”</b>	shall be determined in accordance with the provisions of section 839 of the Income and

Corporation Taxes Act 1988,

**“Directors’ Emoluments”**

in respect of each Financial Year an amount equal to emoluments (including salary, fees and bonuses, sums paid by way of expenses allowance (so far as they are chargeable to United Kingdom income tax), the estimated money value (for the purposes of United Kingdom income tax) of any other benefits received otherwise than in cash, and any company contributions paid, or treated as paid, under any pension scheme) paid or payable in respect of the relevant Financial Year to any person who was or would be at the time of such payment interested in shares of the Company and a director or former director or any person connected with any such director or former directors (other than an Investor Director),

**“Equity Shares”**

means the Ordinary Shares, the B Ordinary Shares and the Preferred Ordinary Shares,

**“Financial Year”**

means an accounting period of 12 months (save for the first) in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Act,

**“Finance Wales”**

Finance Wales Investments Limited (registered in England and Wales with company number 0183368),

**“Group”**

means the Company and its subsidiary undertakings from time to time and references to “member of the Group” or to “Group Member” shall be construed accordingly,

**“Holder”**

means, in respect of any share in the capital of the Company, the person or persons for the time being registered by the Company as the holder of that share,

**“Issue Price”**

means, in respect of a share in the capital of the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium,

**“Investment Date”**

means the date of the adoption of the Articles,

**“Investor Director”**

means the director appointed pursuant to **Article 20**,

**“Investor Group”**

means (in relation to each Investor)

- (a) the Investor or any subsidiary or holding company of the Investor or subsidiary of a holding company of the Investor (each a "Relevant Person"), or
- (b) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser, or
- (c) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser, or
- (d) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person, or
- (e) any nominee or trustee of any Relevant Person, or
- (f) any person or firm, authority or organisation (whether or not incorporated) which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person,

**"Investors"**

means Finance Wales Investments Limited and shall include any permitted assignee of the same,

**"Listing"**

means the admission by the Financial Services Authority in its capacity as the UK Listing Authority of any part of the share capital of the Company to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any part of the share capital of the Company to trading on the Alternative Investment Market of London Stock Exchange plc or the admission by any recognised investment exchange (within the meaning of section 285 of the Financial Services and Markets Act 2000) of any part of the share capital of the Company, and, in each case, such admission becoming effective,

**"Net Profits"**

means the net consolidated profit of the Group on ordinary activities calculated on the historical cost accounting basis and in accordance with the accounting practices, policies and bases of the Company, consistently applied, which are generally accepted in the United Kingdom and as shown in the

audited consolidated profit and loss account of the Company for the relevant Financial Year

- (a) before provision for, or deducting the amount of, any dividends payable on any shares or any other distribution,
- (b) before provision for the transfer of any sum to reserve or writing off goodwill,
- (c) after exceptional items, and
- (d) before deducting corporation tax (and any other tax levied upon or measured by reference to profits or gains) on such profits (including deferred tax), and
- (e) plus a sum equal to the amount of Directors' Emoluments ,

**"Ordinary Shares"**

means the ordinary shares of £1.00 each in the capital of the Company having the rights set out in **Article 4**,

**"Preferred Ordinary Shares"**

means the preferred cumulative participating ordinary shares of £1.00 each of the Company having the rights set out in **Article 4**,

**"Preferred Dividend"**

means the dividend payable to the holders of the Preferred Ordinary Shares,

**"Sale"**

means the transfer (other than a transfer permitted under **Articles 8.1, 8.2, 8.3(a) and 8.3(b)**) of any interest in the shares of the Company to any person (whether by one transaction or by a series of transactions) resulting in that person alone or together with persons acting in concert with such person having the right to exercise a Controlling Interest,

**"Shares"**

means the Ordinary Shares, Preferred Ordinary Shares and the B Ordinary Shares,

**"Table A"**

means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No 1052),

- 2.2 Words and expressions defined in or having a meaning provided by the Act (but excluding any statutory modification not in force on the date of adoption of these articles) shall, unless the context otherwise requires, have the same meanings when used in these Articles



## SHARE RIGHTS

### 3 AUTHORISED SHARE CAPITAL

The authorised share capital of the Company at the date of adoption of these articles is ~~££1000~~ of which ~~252 254~~ Ordinary Shares, ~~166 164~~ B Ordinary Shares and ~~50~~ Preferred Ordinary Shares are in issue

### 4 RIGHTS ATTACHED TO SHARES

The rights attached to the Shares are as follows

#### 4.1 Dividends

The profits of the Company available by law for distribution in respect of any Financial Year shall be applied in the following manner and order of priority

- (a) Firstly, in respect of each Financial Year beginning 2008 the Company shall, without resolution of the Board or the Company in general meeting and before application of any profits to reserve or any other purpose (except the payment of the Preferred Dividend), pay to the members holding Preferred Ordinary Shares a cumulative preferential net cash dividend which is equal to **11%** per centum of Net Profits for the relevant Financial Year— Each Preferred Dividend shall be paid 3 months after the end of the relevant Financial Year of the Company or 14 days after the date on which the audited accounts of the Company for the relevant Financial Year are signed by the directors, whichever is earlier
- (b) Thereafter dividends shall be paid in accordance with **Article 4.1(f)**
- (c) For so long as there are Preferred Ordinary Shares in issue, the Company shall require the Auditors at the Company's expense to prepare a statement of the Net Profits for each Financial Year of the Company within 3 months of the end of the relevant Financial Year
- (d) If the Company fails to pay a Preferred Dividend on a date specified in this **Article 4.1**, interest thereon shall accrue from that date until payment at the rate of 6 5 per cent per annum above the base rate of Barclays Bank plc for the time being, compounded on 31st December, 31st March, 30th June and 30th September in each year
- (e) Where the Company is precluded by the Act or otherwise from paying in full any Preferred Dividend on any date specified in this **Article 4.1**, then in respect of any such dividend which would otherwise require to be paid pursuant to these Articles on that date,
  - (i) the Company shall pay, on that date, to the holders of such Shares on account of that dividend the maximum sum (if any) which can then, consistently with the Acts be paid by the Company, and

- (ii) as soon as the Company is no longer precluded from doing so, the Company shall in respect of such Shares pay on account of the balance of that dividend for the time being remaining outstanding, and until all arrears, accruals and deficiencies of such dividends have been paid in full, the maximum amount of such dividends which can, consistently with the Act properly be paid by the Company at that time
- (f) Subject to the payment of the Preferred Dividend and subject to the provisions of article 4 l(g) any remaining profits which the Company determines to distribute in respect of any Financial Year shall, subject to the approval of members of the Company in general meeting be applied in distributing the balance of such profits amongst the holders of the Preferred Ordinary Shares, the B Ordinary Shares and the Ordinary Shares then in issue *pari passu* according to the number of such Shares held by them respectively as if they constituted one class of share
- (g) Notwithstanding any other provision in this **Article 4**, in the event that the Company (with the consent of the board and the Investor Director or where one is not appointed Finance Wales) determines to distribute or dividend any profit resulting from the sale of Bee Robotics, such distribution will be applied amongst the holders of the Preferred Ordinary Shares and the Ordinary Shares then in issue *pari passu* according to the number of such shares held by them respectively as if they constituted one class of shares For the avoidance of doubt the holders of the B Ordinary Shares shall not participate in or be entitled to any dividend and or distribution determined in accordance with this Article
- (h) The Company shall procure the distribution to the Company in respect of each financial year, whether by way of dividend, reduction of capital, liquidation of subsidiaries or otherwise, of sufficient of the profits of its subsidiaries to enable the Company to pay the Preferred Dividend

## 4.2 Capital

On a sale, return of capital on liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied as follows

- (a) firstly, in paying to each member holding Preferred Ordinary Shares,
  - (i) all unpaid arrears and accruals of the Preferred Dividend and any further dividend on the Preferred Ordinary Shares held by him calculated down to and including the date the return of capital is made (such arrears and accruals being payable irrespective of whether the relevant dividend has become due and payable in accordance with the articles) and,
  - (ii) an amount equal to the Issue Price of all the Preferred Ordinary Shares held by him,

- (b) secondly, in paying to each holder of Ordinary Shares and B Ordinary Shares (*pari passu* as if they constituted one class of Share), first, any dividends thereon which have been declared but are unpaid and, secondly, an amount equal to the Issue Price of each Ordinary Share held by him, and
- (c) thereafter, in distributing the balance of such assets amongst the holders of the Ordinary Shares, B Ordinary Shareholders and the Preferred Ordinary Shares (*pari passu* as if they constituted one class of Share) in proportion to the numbers of the Ordinary Shares and the Preferred Ordinary shares held by them respectively

#### 4.3 Conversion

- (a) The members holding Preferred Ordinary Shares may at any time convert all the Preferred Ordinary Shares into the same number of fully paid Ordinary Shares by notice in writing given to the Company signed by the holders of not less than 51 per cent of the Preferred Ordinary Shares. The conversion shall take effect immediately upon the date of delivery of that notice to the Company (unless the notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when those conditions have been fulfilled) and the Company and members shall do all acts necessary to procure that conversion. For the avoidance of doubt, such Preferred Ordinary Shares shall be converted into Ordinary Shares of the same nominal value
- (b) In this **Article 4.3**, the “conversion date” means the date and time on which Preferred Ordinary Shares are to be converted into Ordinary Shares in accordance with this **Article 4.3**
- (c) Each member holding Preferred Ordinary Shares shall deliver the certificate(s) for those shares (or an indemnity in a form reasonably satisfactory to the Company in respect of any missing share certificate) to the Company on or before the conversion date whereupon the Company shall issue to the persons entitled thereto certificates for the Ordinary Shares arising on conversion
- (d) The Preferred Ordinary Shares shall rank for an apportioned part of the Preferred Dividend attributable to the Financial Year of the Company in which the conversion date falls, calculated on a daily basis down to and including the conversion date. The Company shall accordingly deliver to each holder of Preferred Ordinary Shares on the conversion date, in cleared funds, an amount equal to the aggregate of
  - (i) all arrears and accruals of the Preferred Dividend attributable to Financial Years ending on or before the conversion date, whether declared or earned and payable under these Articles or not, and
  - (ii) the Preferred Dividend from the date of the commencement of the then current Financial Year of the Company down to and including the conversion date, whether declared or earned and payable under these articles or not “Net Profits” for this purpose

shall be the net profits of the Group, calculated on the same basis as "Net Profits", by reference to the unaudited consolidated management accounts of the Company for the period from the start of the then current Financial Year to the latest practicable date prior to the conversion date

- (e) The Ordinary Shares arising on conversion shall rank *pari passu* in all respects with the issued Ordinary Shares and shall entitle the holders of them to all dividends and other distributions declared, made or paid by reference to a record date on or after the conversion date on the Ordinary Shares

#### 4.4 Voting

The holders of the Ordinary Shares, B Ordinary Shares and the Preferred Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and the holder of such Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll, have one vote each for every Share of which he is the holder

### 5 SALE OF THE SHARE CAPITAL OF THE COMPANY

In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale the selling holders (immediately prior to such Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account and shall be distributed amongst such selling holders in the same order of priority as a return of capital as set out in **Article 4.2**

### 6 VARIATION OF RIGHTS

Whenever the share capital of the Company is divided into different classes of share, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) either (i) with the consent in writing of the holders of more than three-fourths of the issued shares of that class, or (ii) with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of that class. To every such separate general meeting all the provisions of these articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall apply

## TRANSFER OF SHARES

### 7 GENERAL

- 7.1 No transfer of any share in the capital of the Company shall be made or registered unless such transfer complies with the provisions of these articles. Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of shares on which the Company has a lien (ii) the transfer is to a minor or (iii) the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles

7 2 For the purposes of these articles the following shall be deemed (but without limitation) to be a transfer by a holder of shares in the Company

7 2 1 any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself, and

7 2 2 any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by an instrument in writing

## 8 PERMITTED TRANSFERS

Notwithstanding the provisions of any other article, the transfers set out in this **Article 8** shall be permitted without restriction and the provisions of **Article 9** (Voluntary Transfers) and **10** (Change of Control) shall have no application

### 8 1 Permitted transfers by Investors

- (a) Any Investor holder being a body corporate shall be entitled to transfer all or any of its shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a "**Group Company**") but if a Group Company whilst it is a holder of shares in the Company shall cease to be a Group Company in relation to the body first holding the relevant shares it shall, within 15 business days of so ceasing, transfer the shares held by it to such body or any Group Company of such body
- (b) A member of an Investor Group may transfer shares to another member of that Investor Group
- (c) Any Investor holder shall be entitled to transfer all or any of its shares to any third party in its absolute discretion

### 8 2 Permitted Transfers by non-Investors

Any holder may transfer all or any of his shares to any person provided always that the prior written consent of the Board and the Investor Director or (if one has not been appointed) Finance Wales has been obtained

## GENERAL

## 9 ISSUE OF SHARES

New Equity Shares may only be issued whether for cash or otherwise with prior written consent of the Board and the Investor Director or (if one has not been appointed) Finance Wales

## 10 GENERAL MEETINGS

10 1 No business shall be transacted at any general meeting unless a quorum of holders is present at the time when the meeting proceeds to business and for its duration Two

persons, being holders present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting. If a meeting is adjourned under regulation 41 of Table A because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for that adjourned meeting, the holders then present shall form a quorum, and regulation 41 of Table A shall be modified accordingly.

- 10.2 A poll may be demanded at a general meeting either by the chairman of the meeting or by any holder who is present in person, by proxy or by duly authorised representative (if a corporation) and who, in any such case, has the right to vote at the meeting, and regulation 46 of Table A shall be modified accordingly.

## 11 WRITTEN RESOLUTIONS

In the case of a corporation which holds a share or shares in the capital of the Company, the signature of any director or the secretary of such corporation shall be sufficient for the purposes of any resolution in writing as is referred to in regulation 53 of Table A, and regulation 53 of Table A shall be modified accordingly.

## 12 RETIREMENT OF DIRECTORS

The Directors shall not be liable to retire by rotation and, accordingly, the second and third sentences of regulation 79 of Table A shall not apply to the Company, in regulation 78 of Table A, the words "Subject as aforesaid" and the words "and may also determine the rotation in which any additional directors are to retire" shall be deleted.

## 13 REMOVAL OF DIRECTORS

The office of any Director shall be vacated if

- 13.1 (in the case of an executive Director only) he shall, for whatever reason, cease to be employed by the Company or any subsidiary of the Company and he does not remain an employee of any other Group Member, or

- 13.2 (other than in the case of an Investor Director) all the other Directors request his resignation in writing,

and the provisions of regulation 81 of Table A shall be extended accordingly.

## 14 INVESTOR DIRECTOR AND OBSERVER

- 14.1 The members holding a majority of the Preferred Ordinary Shares may from time to time appoint any person to be a director with the title of investor director ("**the Investor Director**") which expression shall, where the context so permits, include a duly appointed alternate of such a director) and from time to time remove the Investor Director from office.

- 14.2 There shall not be more than one director bearing the title of Investor Director in office at any time.

- 14.3 Any appointment or removal of the Investor Director shall be in writing served on the Company signed by the members holding a majority of the Preferred Ordinary

Shares and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier Any such appointment or removal by a corporation may be signed on its behalf by its duly authorised representative

- 14 4 Notice of meetings of the Board shall be served on any Investor Director who is absent from the United Kingdom at the registered office of Finance Wales The third sentence of regulation 88 shall not apply
- 14 5 Upon written request by a majority of the holders of the Preferred Ordinary Shares the Company shall procure that the Investor Director is forthwith appointed as a director of any other member of the Group to any committee of the Board or the board of any member of the Group
- 14 6 Regulation 81(e) shall not apply to the Investor Director or the Chairman
- 14 7 Finance Wales has the right to nominate an observer to attend all meetings of the Board and the Company ("**the Observer**") The Observer shall have the right to attend but not speak (unless invited to do so by the Chairman of such meeting) or vote at such meetings

## 15 ALTERNATE DIRECTORS

- 15 1 The appointment by any Investor Director of an alternate director shall not be subject to approval by a resolution of the Board and regulation 65 of Table A shall be modified accordingly In regulation 67 of Table A the words "but, if" and the words following them (to the end of that regulation) shall be deleted
- 15 2 An alternate director shall not be entitled (as such) to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may, by notice in writing to the Company from time to time, direct, and the first sentence of regulation 66 of Table A shall be modified accordingly
- 15 3 A Director, or any such other person as is mentioned in regulation 65 of Table A, as modified by **Article 15.1** may act as an alternate director to represent more than one Director, and an alternate director shall be entitled at any meeting of the Board (or of any committee of the Board) to one vote for every Director whom he represents (in addition to his own vote (if any) as a Director), but he shall count as only one for the purpose of determining whether a quorum is present at (and during) any such meeting

## 16 PROCEEDINGS OF DIRECTORS

- 16 1 The quorum for meetings of the Board shall be two directors one of whom must be the Investor Director (if appointed)
- 16 2 Any Director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other, and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting

- 16 3 Except with the prior written consent of the Investor Director (or, in the event that there is no Investor Director, the prior written consent of the holder of a majority in nominal value of the Preferred Ordinary Shares), a Director shall not vote on any resolution concerning a matter in which he has, directly or indirectly, any kind of interest or duty whatsoever, save in respect of the matters specified in paragraphs (a) to (d) (inclusive) of regulation 94 of Table A which shall be modified accordingly. Reference in regulation 98 to the "Chairman" shall be construed as a reference to the "Investor Director" for so long as one is appointed

## 17 THE SEAL

- 17 1 If the Company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall be signed by a Director and by the secretary or a second Director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal
- 17 2 The Company may exercise the powers conferred by section 39 of the Companies Act 1985 with regard to having an official seal for use abroad, and such powers shall be vested in the Board

## 18 INDEMNITY

- 18 1 Subject to the provisions of the Acts, every Director or other officer of the Company (other than the Auditors) shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by any court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the proper execution of the duties of his office or in relation thereto. This **Article 18** shall only have effect in so far as its provisions are not avoided by section 310 of the Companies Act 1985. The Board shall have power to purchase and maintain for any Director or other officer of the Company and the Auditors insurance against any liability which, by virtue of any rule of law, would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

## 19 BORROWING POWERS

The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the Acts, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party



**LIEN**

The lien conferred by regulation 8 of Table A shall attach to all Shares, whether or not fully paid up and to all shares registered in the name of any person indebted or under liability to the Company (whether he shall be the sole registered holder of such share(s) or shall be one of two or more joint holders)