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COMPANIES HOUSE

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution
passed on 11 April, 1991 and as amended on 21 September 2010)

- of -

SOFTBRANDS EUROPE LIMITED

PRELIMINARY

1 (1) Subject as hereinafter provided the Regulations contained or incorporated in Table A (hereinafter called "Table A") in the Schedule to the Companies (Tables A-F) Regulations 1985 (as amended by the Companies (Tables A-F (Amendment)) Regulations 1985) shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with the Articles hereinafter contained

(2) In Regulation 1 of Table A the words "and in the Company's Articles of Association" shall be inserted after the word "regulations" in the last paragraph thereof and the sentence "Any reference to any statutory provision shall be deemed to include a reference to all and every statutory amendment, modification, re-enactment and extension thereof for the time being in force" shall be inserted at the end of such regulation

2 Regulations 24, 40, 50, 54, 64, 73 to 78 (inclusive), 80, 94, 95 and 118 of Table A shall not apply to the Company

PRIVATE COMPANY

3 The Company is a private company and accordingly the Company shall not -

- (1) offer to the public (whether for cash or otherwise) any shares in or debentures of the Company, or
- (2) allot or agree to allot (whether for cash or otherwise) 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

SHARE CAPITAL

4 (1) The share capital of the Company at the date of adoption of these Articles is £139,000 divided into 75,000 A Ordinary Shares of £1 each ("A Shares"), 25,000 B Ordinary Shares of £1 each ("B Shares"), 25,000 C Ordinary Shares of £1 each ("C Shares") and 14,000 D Ordinary Shares of £1 each ("D Shares")

(2) The A Shares, the B Shares, the C Shares, and the D Shares shall be deemed to constitute separate classes of share for such purposes as are specifically provided for in these Articles but shall otherwise rank pari passu in all respects as if they constituted one class of shares

5 In these Articles the following words shall have the following meanings -

(1) [Deleted]

(2) "the A Percentage" shall mean the percentage calculated in accordance with the following formula:-

$$\frac{(A1 + A2)}{X} \times 100$$

where -

"A1" = the aggregate amount paid up or credited as paid up on the A Shares for the time being in issue,

"A2" = the aggregate amount of all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of the A Shares; and

"X" = the aggregate amount paid up or credited as paid up on the total shares of the Company for the time being in issue plus all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of any class of shares

(3) "the B Percentage" shall mean the percentage calculated in accordance with the following formula -

$$\frac{(B1 + B2)}{X} \times 100$$

where -

"B1" = the aggregate amount paid up or credited as paid up on the B Shares for the time being in issue;

"B2" = the aggregate amount of all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of the B Shares, and

"X" = the aggregate amount paid up or credited as paid up on the total shares of the Company for the time being in issue plus all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of any class of shares.

- (4) "the C Percentage" shall mean the percentage calculated in accordance with the following formula:-

$$\frac{(C1 + C2)}{X} \times 100$$

where -

"C1" = the aggregate amount paid up or credited as paid up on the C Shares for the time being in issue,

"C2" = the aggregate amount of all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of the C Shares, and

"X" = the aggregate amount paid up or credited as paid up on the total shares of the Company for the time being in issue plus all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of any class of shares

- (5) "the D Percentage" shall mean the percentage calculated in accordance with the following formula -

$$\frac{(D1 + D2)}{X} \times 100$$

where -

"D1" = the aggregate amount paid up or credited as paid up on the D Shares for the time being in issue,

"D2" = the aggregate amount of all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of the D Shares, and

"X" = the aggregate amount paid up or credited as paid up on the total shares of the Company for the time being in issue plus all Shareholder Loans and/or guarantees of third party borrowing provided by the holders of any class of shares.

6. The A Shares, the B Shares, the C Shares and the D Shares shall have the following rights and be subject to the follow restrictions:-

- (1) As regards income

The profits which the Company may determine to distribute in respect of any financial year of the Company shall be distributed amongst the holders of the A Shares, the B Shares, the C Shares and the D Shares (pari passu as if the same

constituted one class of share) so that the holder of the A Shares shall be entitled to the A Percentage of such profits, the holders of the B Shares shall be entitled to the B Percentage of such profits, the holders of the C Shares shall be entitled to the C Percentage of such profits and the holders of the D Shares shall be entitled to the D Percentage of such profits the entitlement of the holders of each class of shares to be distributed amongst such holders according to the amounts paid up or credited as paid up on the class of shares held by them respectively

(2) As regards capital

On a return of capital on liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be distributed as follows -

- (a) first, in distributing in specie to the holders of the A Shares the intangible assets owned by the Company or such of the intangible assets of the Company remaining after payment of the Company's liabilities, and
- (b) the balance shall be distributed amongst the holders of the A Shares, the B Shares, the C Shares and the D Shares (pari passu as if the same constituted one class of share) so that the holders of the A Shares shall be entitled to the A Percentage of such balance, the holders of the B Shares shall be entitled to the B Percentage of such balance, the holders of the C Shares shall be entitled to the C Percentage of such balance and the holders of the D Shares shall be entitled to the D Percentage of such balance the entitlement of the holders of each class of shares to be distributed amongst such holders according to the class of shares held by them respectively

(3) As regards voting

Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with the Articles on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative shall one vote and on a poll every member who is present in person or by a proxy or (being a corporation) is present by a representative shall (except as herein provided) have one vote for every share in the capital of the Company of which he is the holder PROVIDED ALWAYS THAT on a poll the holders of the A Shares shall not be entitled to cast more than the A Percentage of the total votes cast thereon, the holders of the B Shares shall not be entitled to cast more than the B Percentage of the total votes cast thereon, the holders of the C Shares shall not be entitled to cast more than the C Percentage of the total votes cast thereon and the holders of the D Shares shall not be entitled to cast more than the D Percentage of the total votes cast thereon.

ISSUE OF SHARES

7 Sub-sections (1) of section 89 of the Act and sub-sections (1) to (6) (inclusive) of section 90 of the Act shall not apply to the Company.

8. (1) The Company may from time to time by Ordinary Resolution increase its share capital by such sum to be divided into shares of such amount as the resolution shall prescribe provided that all new shares shall be divided into A Shares, B Shares, C Shares and D Shares in the proportion of the A Percentage the B Percentage the C Percentage the D Percentage respectively

(2) All shares hereafter issued shall be issued at such time for such consideration and upon such terms and conditions (subject to paragraph (3) hereof) as the Board may from time to time determine but so that no shares shall be issued at a discount and provided always that on each occasion of issue A Shares, B Shares, C Shares and D Shares shall be issued on like terms and conditions. All new shares shall be subject to all the provisions of these Articles with reference to the payment of all calls and to liens, transfer, transmission, forfeiture and otherwise Regulation 2 of Table A shall be modified accordingly

(3) Unless in any particular case the holders of the whole of the A Shares, B Shares, C Shares and D Shares shall otherwise agree, all A Shares shall before issue be offered to the holders for the time being of the A Shares pro rata to the number of A Shares held by each of them, all B Shares shall before issue be offered to the holders for the time being of the B Shares pro rata to the number of B Shares held by each of them, all C Shares shall before issue be offered to the holders for the time being of the C Shares pro rata to the number of C Shares held by each of them and all D Shares shall before issue be offered to the holders for the time being of the D Shares pro rata to the number of D Shares held by each of them Any such offer shall be made by notice from the Directors specifying the number and price of the shares on offer and shall invite each of such holders to state in writing within a period not being less than six weeks whether he is willing to take any and, if so, what maximum number of the shares on offer At the expiration of the time limited by the notice the Directors shall allot the shares on offer to or amongst those of such holders who shall have notified to the Directors their willingness to take any shares and (if more than one) as nearly as may be pro rata according to the number of A Shares, B Shares, C Shares or D Shares (as the case may be) held by such persons respectively at the date of the offer but so that no person shall be obliged to take more than the maximum number of shares so notified by him as aforesaid

(4) Any of the new shares on offer which are not taken up as aforesaid shall be deemed to have been declined and shall, in the case of A Shares, be offered to holders of B Shares, C Shares and D Shares, in the case of B Shares, to the holders of A Shares, C Shares and D Shares, in the case of C Shares, to the holders of A Shares, B Shares and D Shares and in the case of D Shares, to the holders of the A Shares, B Shares and C Shares on the same terms and in the same manner mutatis mutandis as mentioned in paragraph (3) of this Article.

(5) Any of the new shares on offer which are not taken up under either of the two immediately preceding paragraphs of this Article may be disposed of by the Directors in such manner as they think most beneficial to the Company provided that the price at which such

shares are disposed of shall not be less than the price at which they were offered under the terms of paragraph (3) of this Article.

(6) Notwithstanding anything contained in these Articles of Association

(i) any pre-emption rights conferred on existing members by these Articles of Association or otherwise and any other restrictions on transfer of shares contained in these Articles of Association or otherwise shall not apply to, and

(ii) the Directors shall not decline to register, nor suspend registration of, any transfer of shares where such transfer is

(A) in favour of any bank, financial institution or other person (or any nominee or nominees of such a bank, financial institution or other person) to whom such shares are being transferred by way of security (whether such bank, financial institution or other person is acting as agent, trustee or otherwise), or

(B) duly executed by any such bank, financial institution or other person (or any such nominee or nominees) to whom such shares (including any further shares in the Company acquired by reason of its holding of such shares) are to be transferred as aforesaid pursuant to a power of sale under any security document which creates any security interest over such shares, or

(C) duly executed by a receiver appointed by a bank, financial institution or other person (or any such nominee or nominees) pursuant to any security document which creates any security interest over such shares

LIEN

9 The liability of any member in default of a call shall be increased by the addition at the end of the first sentence of Regulation 18 of Table A of the words “and all expenses that may have been incurred by the Company by reason of such non-payment”.

9A Any lien on shares which the Company has shall not apply in respect of any shares which have been charged by way of security to a bank, financial institution or other person or a subsidiary of a bank, financial institution or other person or which are transferred in accordance with the provisions of this Regulation. For the purposes of this Regulation, “person” includes any person, individual, firm, company, corporation, government, state or agency of a state or any undertaking (within the meaning of section 1161(1) of the Companies Act 2006) or other association (whether or not having separate legal personality) or any two or more of the foregoing

TRANSFER OF SHARES

10 Shares in the Company (or any beneficial interest therein) may be sold transferred or otherwise disposed of without restriction and the Directors shall be obliged promptly to register any transfer

GENERAL MEETINGS

11 (1) No business shall be transacted at any General Meeting unless a quorum is present. A quorum shall consist of one member being a holder of A Shares and one member being a holder of either B Shares or C Shares each of whom is present in person or by proxy or (being a corporation) is present by a representative appointed in accordance with Section 375 of the Act.

(2) In its application to the Company Regulation 37 of Table A shall be modified by the deletion of the last sentence thereof.

12 (1) No A Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the removal from office of a B Director, C Director or D Director.

(2) No B Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the removal from office of an A Director, C Director or D Director.

(3) No C Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the removal from office of an A Director, B Director or D Director.

(4) No D Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the removal from office of an A Director, B Director or C Director.

(5) In its application to the Company Regulation 62 of Table A shall be modified by the deletion of the words "within the United Kingdom".

13 In the case of an equality of votes at a General Meeting (whether on a show of hands or on a poll) the Chairman shall have no second or casting vote.

NUMBER OF DIRECTORS

14 Unless and until otherwise determined by Ordinary Resolution, there shall be no minimum or maximum number of Directors.

APPOINTMENT OF DIRECTORS

15 [Deleted]

16 [Deleted]

17 [Deleted]

17A Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director

(i) by written notice to the company given by members together representing a simple majority of the total voting rights of all members who would be entitled to vote on an ordinary resolution to appoint such person as a Director as at the date of such notice, or

(11) by a decision of the Directors

18 A shareholding qualification shall not be required of a Director but he shall nevertheless be entitled to notice of and shall be entitled to attend and speak at any General Meeting

19 In its application to the Company Regulation 79 of Table A shall be modified by the deletion of the words commencing "A Director so appointed" and concluding ". . . at the conclusion thereof"

20 The Chairman of the Company shall not have a second or casting vote on any matter and in its application to the Company Regulation 88 of Table A shall be modified accordingly.

PROCEEDINGS OF DIRECTORS

20A If the company has only one Director, the sole Director may take decisions without regard to the following regulations relating to Directors' decision-making

21 (1) All Directors shall be entitled to be given notice of Board Meetings and of committee meetings of the Board of which they are a member even if absent from the United Kingdom for the time being and in their application to the Company Regulations 72 and 88 of Table A shall be modified accordingly

(2) Notice of a Board Meeting or of a committee of the Board given to the Directors or to the members of the committee shall specify the matters to be discussed at the Board Meeting or committee meeting

(3) Not less than five working days notice shall be given of a meeting of the Board or of a committee of the Board unless agreed by two Directors

21A A Director is to be counted in the quorum and may vote in respect of any proposed decision of the Directors relating to a transaction or arrangement with the company in which he is, in any way, directly or indirectly, interested, provided that he has complied with any obligation he may have to declare such interest under the Companies Act 2006

22 [Deleted]

23 [Deleted]

24 [Deleted]

25 One or more of the directors may participate in a Meeting of the Board of Directors or of a committee of the Board by means of telephone or other electronic communications equipment permitting the Directors so participating to hear and be heard by all other Directors attending or participating in such meeting and each Director so participating shall be deemed to be present at such meeting Subject to the provisions of these Articles a meeting of the Board or of a committee of the Board shall be deemed to have been held notwithstanding the

fact that all the Directors participating therein participated by means of telephone or other electronic communications equipment and that no two Participating Directors were present in the same place

26 The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid and holding or who held any salaried employment or office in the Company or such other company, or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and the wives, widows, families and dependants of any such persons and may make payments for or towards the insurance of any such persons as aforesaid and may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid Subject always if the Act shall so require to particulars with respect thereto being disclosed to the members and to the proposal being approved by the Company by Special Resolution a Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pensions, allowances or emolument.

ALTERNATE DIRECTORS

27 (1) 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 in Table A shall be modified accordingly

(2) A Director or any such other person as is mentioned in Regulation 65 in Table A may act as an Alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors 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

BORROWING POWERS

28 The Directors may exercise all the powers of the company to raise or borrow money to mortgage or charge its undertaking, property and assets both present and future (including uncalled capital) and subject to Section 80 of the Act to issue debentures, debenture stock or other securities whether outright or as collateral security for any debt, liability or obligation of the Company or any third party

THE SEAL

29 (1) If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors The Directors 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 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. Regulation 101 of Table A shall not apply to the Company.

(2) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

INDEMNITY

30 (1) Every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all 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 under section 144 or section 727 of the Act in which relief is granted to him by the court and 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 execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

(2) The Directors shall have power to purchase and maintain for any director, officer or auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.