

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

RESOLUTIONS

of

FORMFILL LIMITED

Passed 4 December 1997



At an **EXTRAORDINARY GENERAL MEETING** of the above-named Company duly convened and held at Cloth Hall Court, Infirmary Street, Leeds LS1 2JB on 4 December 1997 the following Resolutions were duly passed as Resolutions of the Company:-

SPECIAL RESOLUTIONS

1. **THAT** the 1 ordinary share of £1 currently held by Martin Hugh Evans and forming part of the authorised and issued share capital of the Company immediately prior to the passing of this Resolution and 499 of the ordinary shares of £1 each forming part of the authorised but unissued share capital of the Company immediately prior to the passing of this Resolution be each hereby converted into 100 "A" ordinary shares of £0.01 each, every such "A" ordinary share of £0.01 having the respective rights and being subject to the respective obligations set out in the Company's new Articles of Association to be adopted pursuant to Resolution numbered 6 below.
2. **THAT** the 1 ordinary share of £1 currently held beneficially by Peter Benson Kennedy and forming part of the authorised and issued share capital of the Company immediately prior to the passing of this Resolution and 499 of the ordinary shares of £1 each forming

part of the authorised but unissued share capital of the Company immediately prior to the passing of this Resolution be each hereby converted into 100 "B" ordinary shares of £0.01 each, every such "B" ordinary share of £0.01 having the respective rights and being subject to the respective obligations set out in the Company's new Articles of Association to be adopted pursuant to Resolution numbered 6 below.

3. **THAT** the authorised share capital of the Company be and is hereby increased from £1,000 divided into 50,000 "A" ordinary shares of £0.01 each and 50,000 "B" ordinary shares of £0.01 each to £5,000 divided into 250,000 "A" ordinary shares of £0.01 each and 250,000 "B" ordinary shares of £0.01 each by the creation of an additional 200,000 "A" ordinary shares of £0.01 each and an additional 200,000 "B" ordinary shares of £0.01 each, such new "A" and "B" ordinary shares of £0.01 each to rank pari passu as one class in all respects with the "A" and "B" ordinary shares of £0.01 each in the capital of the Company created by Resolutions 1 and 2 (above) and to be subject to the respective rights and respective obligations set out in the Company's new Articles of Association to be adopted pursuant to Resolution 6 (below).
4. **THAT** the directors be unconditionally authorised pursuant to section 80 of the Companies Act 1985 to allot 249,900 new "A" ordinary shares in the capital of the Company and 249,900 new "B" ordinary shares in the capital of the Company to Martin Hugh Evans and Peter Benson Kennedy respectively as the consideration due to them from the Company under the Assignment (as defined in Resolution 7 (below)) at any time during the period of 3 months from the date of this Resolution.
5. **THAT** the directors be hereby authorised during the period of three months from the date of this Resolution pursuant to section 95 of the Companies Act 1985 to allot 249,900 new "A" ordinary shares in the capital of the Company and 249,900 new "B" ordinary shares in the capital of the Company to Martin Hugh Evans and Peter Benson Kennedy respectively as the consideration due to them from the Company under the Assignment (as defined in Resolution 7 (below)) notwithstanding any contrary provisions contained

in the Company's Articles of Association then adopted and as if sections 89(1) and 90(1) to (6) of the Companies Act 1985 did not apply to such allotment.

6. **THAT** the regulations contained in the document produced to the Meeting and signed for identification by the Chairman be adopted as the Articles of Association of the Company in substitution for and to the entire exclusion of the existing Articles of Association.

ORDINARY RESOLUTION

7. **THAT** notwithstanding that such transaction may constitute a substantial property transaction with a director or directors for the purposes of section 320 of the Companies Act 1985, the Company be authorised to enter into an assignment ("the Assignment") to be made between Martin Hugh Evans and Peter Benson Kennedy (1) and the Company (2) relating to the transfer to the Company of the intellectual property rights to certain computer software in consideration for an allotment to Martin Hugh Evans and Peter Benson Kennedy of 249,900 new "A" ordinary shares of £0.01 in the capital of the Company and 249,900 new "B" ordinary shares of £0.01 in the capital of the Company respectively in the form of draft produced to the Meeting.

.....*Martin Evans*.....
Chairman

The Companies Act 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

FORMFILL LIMITED

(Adopted by
Special Resolution passed on 4 December 1997)

1. Preliminary

The regulations contained or incorporated in Table A in the First Schedule to the Companies (Tables A to F) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company (save in so far as they are excluded or varied hereby) and such regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

2. Interpretation

In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context:-



"the Act"	The Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
"these Articles"	These Articles of Association, whether as originally adopted or as from time to time altered by special resolution
"clear days"	In relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect
"the directors"	The directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company
"executed"	Includes any mode of execution
"the holder"	In relation to shares means the member whose name is entered in the register of members as the holder of the shares
"office"	The registered office of the Company
"seal"	The common seal of the Company (if any)
"secretary"	The secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary

"share"

Includes any interest in a share

"the United Kingdom"

Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these Articles and in Table A bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company. Regulation 1 of Table A shall not apply to the Company.

3. Share Capital

3.1 The authorised share capital of the Company at the time of adoption of these Articles is £5,000 divided into 250,000 "A" ordinary shares of £0.01 each ("A" shares") and 250,000 "B" ordinary shares of £0.01 each ("B" shares"). The "A" shares and the "B" shares shall be separate classes of shares but, save as hereinafter expressly provided, shall rank pari passu in all respects.

3.2 Save as may be provided by regulation 110 of Table A as amended by these Articles, all shares which the directors propose to issue shall be comprised equally of "A" shares and "B" shares and shall be dealt with in accordance with the following provisions of this Article 3.2:-

3.2.1 any "A" shares proposed to be issued shall first be offered to the holders of "A" shares in proportion to the number of existing "A" shares held by them respectively and any "B" shares proposed to be issued shall first be offered to the holders of the "B" shares in proportion to the number of existing "B" shares held by them respectively unless the Company shall by special resolution otherwise direct;

3.2.2 each such offer shall be made by notice specifying the total number of shares being offered to the members as a whole, to holders of each class, the

proportionate entitlement of the member to whom the offer is made and the price per share (which shall be the same for each share of each class of share) and shall require each member to state in writing within a period (not being less than fourteen days) specified in the notice whether he is willing to take any and, if so, what maximum number of the said shares up to his proportionate entitlement;

- 3.2.3 an offer, if not accepted within the period specified in the notice as regards any shares, will be deemed to be declined as regards those shares. After the expiration of such period, any "A" shares so deemed to be declined by the holders of "A" shares shall be offered in the proportion aforesaid to the holders of "A" shares who have, within the said period, accepted all the shares offered to them; and any "B" shares so deemed to be declined by the holders of "B" shares shall be offered in the proportion aforesaid to the holders of "B" shares who have, within the said period, accepted all the shares offered to them; if any shares comprised in such further offer are declined or deemed to be declined the directors shall offer the shares so declined to the holders of shares of the other class in proportion to the number of shares in the capital of the Company held by them respectively; such further offers shall be made in the same manner and limited by a like period as the original offer;
- 3.2.4 any shares not accepted pursuant to such offer and further offers made in accordance with this Article 3.2 or not capable of being offered as aforesaid except by way of fractions shall not be issued;
- 3.2.5 any shares released from the provisions of this Article 3.2 by special resolution in accordance with Article 3.2.1 shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit;

3.2.6 all shares which pursuant to the provisions of the regulations of the Company may be issued to a holder of "A" shares or "B" shares shall upon being registered in the name of such holder become "A" shares or "B" shares respectively.

3.3 The provisions of Article 3.2 shall have effect subject to section 80 of the Act.

3.4 Regulation 4 of Table A and, in accordance with section 91(1) of the Act, sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

4. Lien

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

5. Calls on shares and forfeiture

There shall be added at the end of the first sentence of regulation 18 of Table A, so as to increase the liability of any member in default in respect of a call, the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

6. Transfer of shares

6.1 Any person (hereinafter called "the proposing transferor") proposing to transfer any shares of any class shall give notice in writing (hereinafter called "the transfer notice") to the Company that he desires to transfer the same and specifying the price per share at which he is willing to sell them. The transfer notice shall constitute the Company the agent of the proposing transferor for the sale of all (but not some only) of the shares comprised in the transfer notice together with all rights then attached thereto to any

member or members holding shares of the same class as those comprised in the transfer notice and willing to purchase the same (hereinafter called "purchasing class members") at the price specified therein or at the fair value certified in accordance with Article 6.3 (whichever shall be the lower). A transfer notice shall not be revocable except with the sanction of the directors and shall comprise one class of share only so that separate transfer notices are required in respect of proposed transfers of separate classes of shares.

6.2 The shares comprised in any transfer notice shall be offered to the members (other than the proposing transferor) holding shares of the same class as those comprised in the transfer notice (hereinafter called "class members") as nearly as may be in proportion to the number of shares of the said class held by them respectively. Such offer shall be made by notice in writing (hereinafter called "the offer notice") within seven days after the receipt by the Company of the transfer notice. The offer notice shall:-

6.2.1 state the identity of the proposing transferor, the number and class of shares comprised in the transfer notice and the price per share specified in the transfer notice and inform the class members that shares are offered to them in accordance with the provisions of this Article 6.2;

6.2.2 contain a statement to the effect that the shares are offered in the first instance in the proportion referred to in the opening sentence of this Article 6.2 but go on to invite each class member to state in his reply whether he wishes to purchase more or less shares than his proportionate entitlement and if so what number;

6.2.3 contain a statement of the right of each class member to request a certificate of fair value under Article 6.3, the form of such statement to be as near as circumstances permit to that of the first sentence of that Article;

6.2.4 contain a statement to the effect that each of the shares in question is being offered to class members at the lower of the price specified in the transfer notice and (if applicable) its fair value certified in accordance with Article 6.3;

- 6.2.5 state the period in which the offer may be accepted if no such certificate of fair value is requested (not being less than twenty-two days or more than forty-two days after the date of the offer notice); and
- 6.2.6 contain a statement to the effect that, if such a certificate of fair value is requested, the offer will remain open for acceptance until the expiry of a period of fourteen days commencing on the date of the notice of the certified fair value given to class members pursuant to Article 6.3 or until the expiry of the period referred to in Article 6.2.5 whichever is the later.

For the purpose of this Article an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by a class member in respect of a lesser number of shares than his full proportionate entitlement. If all the class members do not accept the offer in respect of their respective proportions in full the shares not so accepted shall be used to satisfy any claims for additional shares (notified in response to the invitation referred to in Article 6.2.2) as nearly as may be in proportion to the number of shares already held by the class members claiming additional shares, provided that no class member shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable of being offered to the class members in proportion to their existing holdings, except by way of fractions the same shall be offered to the class members, or some of them, in such proportions as the directors think fit.

- 6.3 Any class member may, not later than eight days after the date of the offer notice, serve on the Company a notice in writing requesting that the auditors for the time being of the Company certify in writing the sum which in their opinion represents the fair value of each of the shares comprised in the transfer notice as at the date of the transfer notice. If the auditors decline such appointment at their discretion then a person nominated by the President for the time being of the Institute of Chartered Accountants in the country of the situation of the office on the application of the directors or any class member on

behalf of the Company shall be instructed to give such certificate and any following reference in these Articles to the auditors shall include any person so nominated. Forthwith upon receipt of such notice the Company shall instruct the auditors to certify as aforesaid and the costs of producing such certificate shall be apportioned among the proposing transferor and the purchasing class members and borne by any one or more of them as the auditors in their absolute discretion shall decide. In certifying the fair value as aforesaid the auditors shall be entitled to obtain professional valuations in respect of any of the Company's assets and shall be considered to be acting as experts and not as arbitrators or arbiters and accordingly any provisions of law or statute relating to arbitration shall not apply. Forthwith upon receipt of the certificate of the auditors, the Company shall by notice in writing inform all class members of the certified fair value of each share and of the price per share (being the lower of the price specified in the transfer notice and the certified fair value of each share) at which the shares comprised in the transfer notice are offered for sale.

- 6.4 If purchasing class members shall be found for all the shares comprised in the transfer notice within the appropriate period specified in Article 6.2, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing (hereinafter called "the sale notice") to the proposing transferor specifying the purchasing class members and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasing class members.
- 6.5 If the Company shall not give a sale notice to the proposing transferor within the time specified in Article 6.4 or if at the date of the transfer notice there is no member other than the proposing transferor who holds shares of the same class as those comprised in the transfer notice, the transfer notice shall thenceforth be deemed to constitute the Company the agent of the proposing transferor for the sale of all (but not some only) of the shares comprised in the transfer notice together with all rights then attached thereto to any member or members willing to purchase the same (whether or not a class member) at the price specified therein or at the fair value certified in accordance with Article 6.3

(whichever shall be the lower). In any such case the provisions of Articles 6.2 to 6.4 (inclusive) shall apply mutatis mutandis as if references therein to class members were to members (of whatever class) and references to purchasing class members were to purchasing members (of whatever class) and as if the period for service of the offer notice referred to in Article 6.2 was the period of seven days immediately following the expiry of the appropriate period for service of a sale notice on purchasing class members without such a sale notice being served.

- 6.6 Notwithstanding the provisions of Article 6.5 but subject to the provisions of Article 6.8, if purchasing class members shall have been found for some only of the shares comprised in the transfer notice pursuant to Article 6.2 the claims of such purchasing class members made pursuant to Article 6.2 shall first be satisfied in preference to the claims of members of any other class made pursuant to Article 6.5.
- 6.7 If in any case the proposing transferor after having become bound in accordance with the provisions of this Article 6 to transfer shares makes default in transferring any such shares the Company may receive the purchase money on his behalf and may authorise some person to execute a transfer of such shares on behalf of and as attorney for the proposing transferor in favour of the purchasing class members or purchasing members as the case may be. The receipt of the Company for the purchase money shall be a good discharge to the purchasing class members or purchasing members as the case may be. The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the proposing transferor.
- 6.8 If the Company shall not give a sale notice to the proposing transferor within the time specified for that purpose (by virtue of Article 6.5) in Article 6.4 in respect of sales to purchasing members of whatever class, he shall, during the period of thirty days next following the expiry of the time so specified, be at liberty to transfer all or any of the shares comprised in the transfer notice to any person or persons provided that the price per share obtained upon such share transfer shall in no circumstances be less than the price per share specified in the transfer notice served in accordance with Article 6.1 or

as certified in accordance with Article 6.3 (whichever shall be the lower) and the proposing transferor shall upon request furnish such information to the directors as they shall require in relation to the price per share obtained as aforesaid. The directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied, may refuse to register the instrument of transfer.

6.9 Any transfer or purported transfer of a share (other than upon transmission of a share pursuant to regulation 29 of Table A upon the death of a member or upon a person becoming entitled to a share in consequence of the bankruptcy of a member) made otherwise than in accordance with the foregoing provisions of Articles 6.1 to 6.8 (inclusive) shall be null and void and of no effect.

6.10 If and when required by notice in writing by the holder or holders of (in aggregate) a majority in nominal value of the other shares in the Company so to do (the "call notice"):-

6.10.1 a member who transfers or purports to transfer any share in the Company in breach of the foregoing provisions of these Articles shall be bound to give a transfer notice in respect of the shares which he has transferred or purported to transfer in breach of these Articles; or

6.10.2 a member who causes or permits any of the events specified in Article 6.11 or with regard to whom any of the events specified in Article 6.11.4 or 6.11.5 occurs shall be bound to give a transfer notice in respect of all the shares registered in the name of such member;

In the event of such member failing to serve a transfer notice pursuant to Article 6.10.1 or 6.10.2 within thirty days of the date of the call notice such member shall be deemed to have given a transfer notice at the expiration of such period of thirty days and to have specified therein as the price per share the fair

value of each share to be certified in accordance with Article 6.3. The provisions of Articles 6.2 to 6.8 (inclusive) and Article 6.13 shall mutatis mutandis apply.

6.11 The events specified for the purposes of Article 6.10.2 are:-

6.11.1 any direction (by way of renunciation nomination or otherwise) by a member entitled to an allotment or transfer of shares to the effect that such shares or any of them be allotted or issued or transferred to some person other than himself;

6.11.2 any sale, dealing with or other disposition of any beneficial interest in a share (whether or not for consideration or otherwise but excluding any transmission of a share to any person becoming entitled to such share in consequence of the death or bankruptcy of a member) by whomsoever made and whether or not effected by an instrument in writing save where the disposition is by service of a transfer notice in accordance with these Articles;

6.11.3 the holding of a share as a bare nominee for any person;

6.11.4 in the case of a corporate member, such member entering into liquidation (except a members' voluntary liquidation for the purpose of reconstruction or amalgamation) or suffering an administrative receiver to be appointed over all or any of its assets or suffering an administration order to be made against it or anything analogous to any of the foregoing under the law of any jurisdiction occurs in relation to that corporate member;

6.11.5 in the case of a corporate member, a change in a controlling interest (as defined in Article 6.12) of such corporate member.

6.12 For the purposes of Article 6.11.5:-

6.12.1 the expression "controlling interest" shall mean the ability to exercise or control the exercise of in the aggregate more than 50 per cent of the total voting rights (within the meaning of section 736A(2) of the Act) capable of being exercised at general meetings of such member;

6.12.2 a transfer of shares by a shareholder in a corporate body which is a member of the Company to a member of such shareholder's family (as such expression is defined in Article 6.12.3) which would, but for this Article 6.12, constitute a change in a controlling interest in such member shall not be treated as or deemed to be a change in a controlling interest in such member for the purposes of Article 6.11.5;

6.12.3 for the purposes of this Article 6.12 the expression "a member of such shareholder's family" shall mean the husband, wife, widow, widower, child and remoter issue (including child by adoption).

6.13 The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer which would otherwise be permitted under the foregoing provisions of this Article 6 if it is a transfer of a share on which the Company has a lien. The directors may also refuse to register a transfer unless:-

6.13.1 it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; and

6.13.2 it is in respect of only one class of shares; and

6.13.3 It is in favour of not more than four transferees.

The directors shall register a transfer of shares made pursuant to Articles 6.1 to 6.8 (inclusive) or Article 6.15 subject to the provisions of this Article 6.13. Regulation 24 of Table A shall not apply to the Company.

6.14 The provisions of Articles 6.1 to 6.10 (inclusive) may be waived in any particular case if all the members give their consent in writing.

6.15 Notwithstanding any other provision contained in these Articles the restrictions on transfer contained in this Article 6 shall not apply to:-

6.15.1 to a member of the family of a member or deceased member;

6.15.2 to any person or persons acting in the capacity of trustee or trustees of a trust created by a member (by deed or by will) or, upon any change of trustees of a trust so created, to the new trustee or trustees (so that any such transfer as aforesaid shall be registered pursuant to this Article 6.15 only if such shares are to be held upon the terms of the trust) provided that there are no persons beneficially interested under the trust other than the member and members of his family and the voting rights conferred by any such shares are not exercisable by or subject to the consent of any person other than the trustee or trustees of the trust or the member or members of his family and also the directors are satisfied that the trust is and is intended to remain a trust the sole purpose of which is to benefit the member or members of his family;

6.15.3 by the trustee or trustees of a trust to which Article 6.15.2 applies to any person beneficially interested under the trust being the member or a member of his family;

6.15.4 to the legal personal representatives of a deceased member where under the provisions of his will or the laws as to intestacy the persons beneficially entitled to any such shares, whether immediately or contingently, are members of the

family of the deceased member and by the legal personal representatives of a deceased member to a member or members of the family of the deceased member;

6.15.5 for the purpose of this Article 6.15:-

6.15.5.1 the word "member" shall not include a person who holds shares only in the capacity of trustee, legal personal representative or trustee in bankruptcy but shall include a former member in any case where the person concerned ceased to be a member as a result of the creation of the relevant trust; and

6.15.5.2 the words "a member of the family of a member" shall mean the husband, wife, widow, widower, child and remoter issue (including a child by adoption).

6.15.6 any transfer by a corporate member to an associated undertaking (as defined in section 27(3) of the Companies Act 1989) provided always that if the transferee company subsequently ceases to be such an associated undertaking the transferee company shall, within thirty days of the date of a notice in writing given by the holder or holders of a majority in nominal value of the other shares (of whatever class) in the Company requiring it so to do, serve a transfer notice. In the event of such transferee company failing to serve a transfer notice where required to do so within such thirty day period it shall be deemed at the end of such thirty day period to have given a transfer notice in respect of all shares so transferred and to have specified therein as the price per share the fair value of each share to be certified in accordance with Article 6.3 and the provisions of Articles 6.2 to 6.8 (inclusive) and Article 6.13 shall mutatis mutandis apply;

6.15.7 any transfer by a corporate member to a company formed to acquire the whole or substantially the whole of the undertaking and assets of such corporate member as part of a scheme of amalgamation or reconstruction,

provided that it is proved to the satisfaction of the directors that the transfer bona fide falls within one of these exceptions.

6.16 If any share of any class is transferred pursuant to any of the provisions of these Articles to a member holding shares of a different class, such share shall as on and from the time of registration of the transfer of that share in the register of members of the Company be ipso facto re-designated as a share of the same class as those already held by that member.

6.17 For the purpose of ensuring that a transfer of shares is permitted pursuant to the provisions of these Articles or that no circumstances have arisen whereby a transfer notice may be required to be given, the directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within a reasonable time after request, the directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a transfer notice be given in respect of the shares concerned. In any case where the directors have duly required by notice in writing a transfer notice to be given in respect of any shares and such transfer notice is not duly given within a period of thirty days from such notice such transfer notice shall be deemed to have been given at the end of the period of thirty days and such transfer notice shall be deemed to specify as the price per share the fair value of each share to be certified in accordance with Article 6.3 and the provisions of Articles 6.2 to 6.8 (inclusive) and Article 6.13 shall mutatis mutandis apply.

6.18 In determining the fair value of each share comprised in any transfer notice under Article 6.3 the auditors (as defined in that Article) shall value each share on the basis of the value of the Company as a going concern at the date of the transfer notice and multiplying such valuation of the Company by the fraction the numerator of which shall be the nominal value of each share comprised in the transfer notice and the denominator of which shall be the nominal value of all the shares of the Company in issue at such date.

7. Transmission of shares

In the application of regulations 29 to 31 of Table A to the Company:-

- 7.1 any person becoming entitled to a share in consequence of the bankruptcy of a member or the death of a member (other than the personal representations of a deceased member in a situation where the provisions of Article 6.15.4 apply) shall give a transfer notice before he elects in respect of any share to be registered himself or to execute a transfer;
- 7.2 if a person so becoming entitled shall not have given a transfer notice in respect of any share within six months of the death or bankruptcy, the directors may at any time thereafter upon resolution passed by them give notice requiring such person within thirty days of such notice to give a transfer notice in respect of all the shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such thirty days be deemed to have given a transfer notice pursuant to Article 6.1 relating to those shares in respect of which he has still not done so;
- 7.3 where a transfer notice is given or deemed to be given under this Article and no price per share is specified therein the transfer notice shall be deemed to specify the sum which shall, on the application of the directors, be certified in writing by the auditors in accordance with Article 6.3 as the fair value thereof.

8. General meetings

The directors may call general meetings and regulation 37 of Table A shall not apply to the Company.

9. Proceedings at general meetings

9.1 No business shall be transacted at any general meeting unless a quorum of members is present throughout the meeting. A quorum shall consist of two members present in person or by proxy or (in the case of a member being a corporation) by representative of whom one shall be a holder of "A" shares and one a holder of "B" shares save that, if and for so long as the Company has only one person as a member, one member present in person or by proxy shall be a quorum. Regulation 40 of Table A shall not apply to the Company.

9.2 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved. Regulations 41 and 50 of Table A shall not apply to the Company.

9.3 A poll may be demanded at any general meeting by the Chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 of Table A shall be altered accordingly.

10. Votes of members

10.1 Regulation 54 of Table A shall not apply to the Company. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by

proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, each member shall have one vote for each share of which he is the holder.

10.2 The words "be entitled to" shall be inserted between the words "shall" and "vote" in regulation 57 of Table A.

10.3 A member shall not be entitled to appoint more than one proxy to attend and vote on the same occasion and accordingly the final sentence of regulation 59 of Table A shall not apply to the Company. Any such proxy shall be entitled to cast the votes to which he is entitled in different ways.

11. Number of directors

Regulation 64 of Table A shall not apply to the Company.

12. Alternate directors

12.1 An alternate director shall be entitled to receive notice of all meetings of the directors and of all meetings of committees of the directors of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor at such meeting as a director in his absence. An alternate director shall not be entitled 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. Regulation 66 of Table A shall not apply to the Company.

12.2 A director, or any such other person as is mentioned in regulation 65 of 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 and the final sentence of regulation 88 of Table A shall not apply to the Company.

12.3 Save as otherwise provided in the regulations of the Company, an alternate director shall be deemed for the purposes specified in Article 12.1 to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him. Regulation 69 of Table A shall not apply to the Company.

13. Appointment and retirement of directors

13.1 The number of directors of the Company shall not be less than two nor more than three.

13.2 One of the directors shall be called the "A" director and shall be appointed and removed by the holders of a majority of the "A" shares, one of the directors shall be called the "B" director and shall be appointed and removed by the holders of a majority of the "B" shares. Each such appointment and removal of an "A" or "B" director shall be by notice in writing under hand of the "A" or "B" shareholders as the case may be holding a majority in nominal value of the "A" or "B" shares as the case may be and shall take effect upon lodgement at the office.

13.3 A third director (to be called the "independent director") may be appointed by the holders of the majority of the "A" shares and a majority of the "B" shares acting together. Each such appointment shall be by notice in writing under hand of a majority in nominal value of the "A" shares and a majority in nominal value of the "B" shares and shall take effect upon lodgement at the office. Once appointed, any independent director may be removed by the holders of a majority in nominal value of either the "A" shares or the holders of a majority in nominal value of the "B" shares. Any such removal shall be by notice in

writing under hand of a majority in nominal value of either the "A" or "B" shareholders as the case may be and shall take effect upon lodgement at the office.

- 13.4 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.

14. **Disqualification and removal of directors**

Notwithstanding the provisions of Article 13 the office of a director shall be vacated if:-

- 14.1 he ceases to be a director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director; or
- 14.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 14.3 he is, or may be, suffering from mental disorder and either:-
- 14.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or in Scotland an application for admission under the Mental Health (Scotland) Act 1960, or
- 14.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- 14.4 he resigns his office by notice to the Company; or

- 14.5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated,

and regulation 81 of Table A shall not apply to the Company.

15. Gratuities and pensions

Regulation 87 of Table A shall not apply to the Company and the directors may exercise any powers of the Company conferred by its Memorandum of Association to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 27(3) of the Companies Act 1989) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

16. Proceedings of the directors

- 16.1 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director notwithstanding his office:-

16.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

16.1.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;

16.1.3 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;

16.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

16.1.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of Articles 16.1.1 to 16.1.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted.

16.2 For the purposes of Article 16.1:-

16.2.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

16.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

16.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

- 16.3 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.
- 16.4 The quorum for the transaction of business of the directors shall throughout the meeting be two comprising one "A" director and one "B" director or their respective alternates.
- 16.5 The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Unless all directors indicate their willingness to accept shorter notice of a meeting of the directors, at least 7 clear days' prior notice of the time and place of each meeting of the directors shall be given. Questions arising at any meeting shall be determined by a majority of votes and in the case of an equality of votes the chairman of the meeting shall not have a second or casting vote.
- 16.6 A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors. Notice of every meeting of the directors shall be given to every director in accordance with the provisions referred to in Article 20 but the non-receipt of notice by any director shall not of itself invalidate the proceedings at any meeting of the directors.
- 16.7 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar means of communications equipment whereby all persons participating in the meeting can hear each other and participation in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 16.8 Regulation 88 of Table A shall be amended by substituting for the sentence:-

"It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom."

the following sentence:-

"Notice of every meeting of the directors shall be given to each director and his alternate director, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service."

16.9 The words "of filling vacancies, or" shall be omitted from regulation 90 of Table A.

16.10 The penultimate sentence of regulation 88 of Table A shall not apply to the Company.

17. The seal

If the Company has a seal it shall only be used with the authority of the directors or of a committee of the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director. The obligation under regulation 6 in 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.

18. Capitalisation of profits

The words "special resolution" shall be substituted for the words "ordinary resolution" in regulation 110 of Table A provided that on any occasion when shares are allotted and distributed credited as fully paid pursuant to the provisions of regulation 110 of Table A as amended by this Article the shares allotted to holders of "A" shares shall forthwith on allotment automatically stand designated as "A" shares and the shares allotted to holders of "B" shares shall forthwith on allotment automatically stand designated as "B" shares.

19. Notices

19.1 In regulation 112 of Table A, the words "first class" shall be inserted immediately before the words "post in a prepaid envelope".

19.2 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted. Regulation 115 of Table A shall not apply to the Company.

20. Winding up

In regulation 117 of Table A, the words "with the like sanction" shall be inserted immediately before the words "determine how the division".

21. Indemnity

21.1 Subject to the provisions of section 310 of the Act every director (including an alternate director) or other officer 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 lawful 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 (including an alternate 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 lawful execution of the duties of his office or in relation thereto. Regulation 118 of Table A shall not apply to the Company.

- 21.2 The directors shall have power to purchase and maintain at the expense of the Company for the benefit of any director (including an alternate director), officer or auditor of the Company insurance against any liability as is referred to in section 310(1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director, (including as an alternate director) officer or auditor.
- 21.3 The directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director (including an alternate director), other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in Article 21.2.

22. Variation of class rights

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares for that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths in number of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the regulations of the Company relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third in number of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. If any such separate general meeting shall be adjourned owing to the absence of a quorum and if at the adjourned meeting a quorum shall not be present within half-an-hour from the time appointed for such adjourned meeting the holder or holders of shares of the class concerned who are present shall constitute a quorum and shall have power to decide upon

all matters which could properly have been disposed of at the meeting from which the adjournment took place.