



**THE COMPANIES ACT 1985 to 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**SPECIAL RESOLUTION**

Of

**THALES MISSILE ELECTRONICS LIMITED**

**Dated 26<sup>th</sup> September 2008**

The following special resolution was passed at a duly convened EGM of the Company held on 26<sup>th</sup> September 2008

**SPECIAL RESOLUTION**

" that the following new article 25 be added into the Company's Articles of Association

25 Directors' power to authorise conflict situations

25 1 For the purposes of section 175 of the Companies Act 2006 [CA 2006], the directors shall have the power to authorise, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as they may determine (**Conflict Authorisation**), any matter proposed to them in accordance with these articles which would, or might, if not so authorised, constitute or give rise to a situation (**a Conflict Situation**) in which a director (**an Interested Director**) has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) Any Conflict Authorisation shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised

25 2 Where directors give a Conflict Authorisation

- (a) the terms of the Conflict Authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded), and
- (b) the directors may revoke or vary such authority at any time but this will not affect anything done by the relevant Interested Director prior to such revocation or variation in accordance with the terms of such authorisation

25 3 Any Conflict Authorisation will be effective only if

- (a) at the meeting of the directors at which the Conflict Situation is considered, any requirement as to quorum is met without counting the

Interested Director, and

- (b) it is agreed to without any Interested Director voting, or would have been agreed to if the votes of any Interested Director had not been counted

25 4 Subject to article 25 3 and the provisions of the Companies Acts, any matter proposed to the directors and any authorisation by the directors in relation to a Conflict Situation shall be dealt with in the same way as that in which any other matter may be proposed to and resolved upon by the directors

25 5 For the purposes of this article 25, a conflict of interest includes a conflict of interest and duty and a conflict of duties

25 6 An Interested Director shall be obliged

- (a) to disclose to the other directors the nature and extent of his interest in any Conflict Situation, such disclosure to be made as soon as reasonably practicable, and
- (b) to act in accordance with any terms, limits or conditions determined by the directors under article 25 1

25 7 Any terms to which a Conflict Authorisation is made subject (**Conflict Authorisation Terms**) may include (without limitation to article 25 1) provision that

- (a) where the Interested Director obtains (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party,
- (b) the Interested Director may (but shall be under no obligation to) absent himself from the discussion of, and/or the making of decisions relating to, the relevant matter (whether at any meeting of the directors or otherwise) and be excused from reviewing documents and information prepared by or for the directors to the extent that they relate to that matter, and
- (c) the Interested Director be excluded from the receipt of documents and information, the participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the relevant matter,

and anything done (or omitted to be done) by the Interested Director in accordance with any such provision (or otherwise in accordance with any Conflict Authorisation Terms given under article 25 1) will not constitute a

breach by him of his duties under sections 172 to 174 CA 2006

25 8 Subject to article 25 9 but without prejudice to article 25 1 to article 25 7, if and for so long as the Company shall be a member of the Relevant Group, authorisation is given by the members of the Company for the time being on the terms of these articles to each director in respect of any Conflict Situation that arises because the director is also a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, any other member of the Relevant Group (**Group Conflict Authorisation**) The Conflict Authorisation Terms applicable to the Group Conflict Authorisation (**Group Conflict Authorisation Terms**) are automatically set by this article 25 8 so that the director concerned

- (a) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Group Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party, and
- (b) may (but shall be under no obligation to)
  - (i) absent himself from the discussions of, and/or the making of decisions
  - (ii) make arrangements not to receive documents and information,relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Group Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 CA 2006

25 9 A Group Conflict Authorisation given or deemed given under article 25 8 may be revoked, varied or reduced in its scope or effect by special resolution

25 10 In this article 25 **Relevant Group** comprises

- (a) the Company,
- (b) any body corporate which is for the time being a wholly owned subsidiary of the Company,
- (c) any body corporate of which the Company is for the time being a wholly owned subsidiary (**Parent**), and
- (d) any body corporate (not falling within any preceding paragraph of this definition) which is for the time being a wholly owned subsidiary of the Parent "

  
CHAIRMAN