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THE COMPANIES ACTS 1985 and 1989

PRIVATE COMPANY LIMITED BY SHARES

INNOVISION RESEARCH & TECHNOLOGY LIMITED

RESOLUTIONS IN WRITING OF THE MEMBERS

pursuant to Section 381A Companies Act 1985

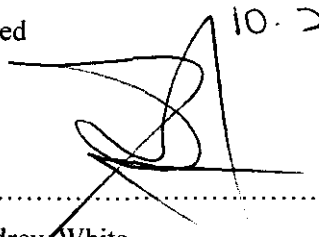
passed in the case of Resolutions 1, 3 and 4 as Ordinary Resolutions
and in the case of Resolution 2 as a Special Resolution

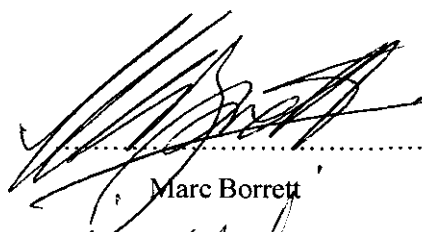
1. THAT the authorised share capital of the Company be increased to £111,000 by the creation of 4,900,000 new "A" Ordinary Shares of 1p each, 4,900,000 new "B" Ordinary Shares of 1p each, 1,000,000 new "C" Ordinary Shares of 1p each and 100,000 new "D" Shares of 1p each, each having the rights and restrictions attached thereto by the new Articles of Association adopted by the passing of Resolution 2 below.
2. THAT the regulations contained in the document which is attached and which has been initialled by or on behalf of each of the members for the purposes of identification be adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association.
3. THAT the Directors be authorised to capitalise the sum of £24,995 standing to the credit of the share premium account of the Company and that such sum be capitalised and set free for distribution and appropriated as capital to and amongst the holders of the "A" and "B" Ordinary Shares of 1p each in the capital of the Company registered in the books of the Company immediately prior to the passing of this resolution in proportion to the number of such "A" and "B" Ordinary Shares so held by them on condition that the same be not paid in cash but be applied on their behalf in paying up in full 1,999,600 new "A" Ordinary Shares of 1p each and 499,900 new "B" Ordinary Shares of 1p each in the capital of the Company to be allotted and distributed credited as fully paid up to and amongst such holders on the basis of 4,999 new "A" Ordinary Shares of 1p each for every existing "A" Ordinary Share of 1p so held and 4,999 new "B" Ordinary Shares of 1p each for every existing "B" Ordinary Share of 1p so held.
4. THAT :

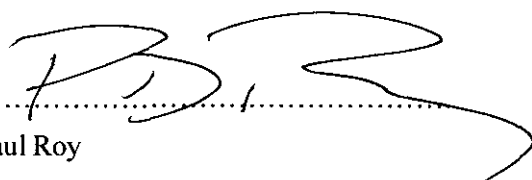


- (a) the Innovision Research & Technology Limited Unapproved Share Option Scheme 2000, a copy of the Rules of which is attached and has been initialled by one "A" Director and one "B" Director (as defined in the Articles of Association adopted by the passing of Resolution 2 above) for the purposes of identification be and is hereby approved and adopted and the Directors be and are hereby authorised to do all acts and things which they consider necessary for giving effect to the said Scheme; and
- (b) any Director may be counted in the quorum and vote on any Board resolution connected with the Innovision Research & Technology Limited Unapproved Share Option Scheme 2000, notwithstanding that he or she may be interested therein, provided that no Director may vote on (or be counted in the quorum for) any Board resolution concerning his or her own participation in the said scheme.


Dated 10.2 2000

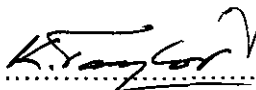

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Andrew White

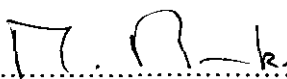

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Marc Borrett


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Paul Roy


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Michael Sperring


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Michael Marks


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Kenneth Taylor


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Chek Low

Note: Pursuant to section 381B Companies Act 1985, if the Company has auditors, each director and the secretary has a duty to secure that a copy of the resolution(s) is sent to the auditors at the same time as it is supplied to the members for signature.

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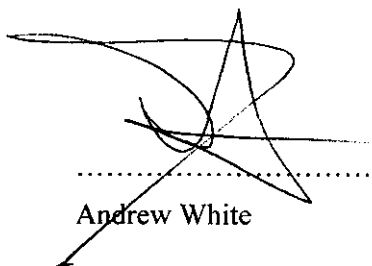
INNOVISION RESEARCH & TECHNOLOGY LIMITED

CONSENT OF HOLDERS OF "A" ORDINARY SHARES OF 1p EACH

Dated 10th FEBRUARY

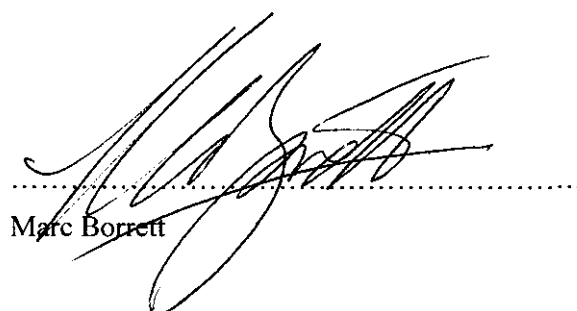
2000

We, the undersigned, being the registered holders of all of the "A" Ordinary Shares of 1p each in the capital of the Company hereby consent to the passing of the Ordinary and Special Resolutions set out in the attached resolutions in writing.



.....

Andrew White



.....

Marc Borrett


INNOVISION RESEARCH & TECHNOLOGY LIMITED

CONSENT OF HOLDERS OF "B" ORDINARY SHARES OF 1p EACH

Dated 10th FEBRUARY


2000

We, the undersigned, being the registered holders of all of the "B" Ordinary Shares of 1p each in the capital of the Company hereby consent to the passing of the Ordinary and Special Resolutions set out in the attached resolutions in writing.




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Paul Roy



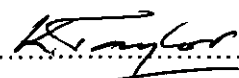
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Michael Sperring




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Michael Marks



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Kenneth Taylor



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Chek Low

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Handwritten signatures and initials, including "MRB" in a circle and "PP" below it.

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed 10th FEBRUARY 2000)

- of -

INNOVISION RESEARCH & TECHNOLOGY LIMITED

PRELIMINARY

1. In these Articles:

"the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.

"Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985).

"the Option Scheme" means the Innovision Research & Technology Limited Unapproved Share Option Scheme 2000.

2. The Company is a private company. The regulations contained in Table A, save insofar as they are excluded or varied hereby, and the regulations hereinafter contained shall constitute the regulations of the Company. Articles 2, 3, 24, 40, 50, 54, 64, 72 to 81 (inclusive), 89 to 91 (inclusive) and 118 of Table A shall not apply to the Company.

SHARES

3.1 The authorised share capital of the Company at the date of the adoption of these Articles is £111,000 divided into 5,000,000 "A" Ordinary Shares of 1p each (hereinafter called "A" Ordinary Shares'), 5,000,000 "B" Ordinary Shares of 1p each (hereinafter called "B" Ordinary Shares'), 1,000,000 "C" Ordinary Shares of 1p each (hereinafter called "C" Ordinary Shares') and 100,000 "D" Shares of 1p each (hereinafter called "D" Shares').

3.2 The "A" Ordinary Shares, the "B" Ordinary Shares and the "C" Ordinary Shares shall be separate classes of shares but save as expressly provided in these Articles shall rank *pari passu* in all respects.

3.3 The "D" Shares as a class shall between them carry only the same right to participate in the income or profits of the Company by way of dividend as a single "A" Ordinary Share, "B" Ordinary Share or "C" Ordinary Share and the holders thereof shall not be entitled to receive notice of or to attend or vote at any general meeting and the Company shall have irrevocable authority:

- (a) to appoint a person on behalf of any holder of "D" Shares to enter into an agreement to transfer, and to execute a transfer thereof without any payment being made in respect thereof, to such person as the Board may determine as the custodian thereof;
- (b) to cancel and/or purchase the same (in accordance with the provisions of the Companies Acts for the time being in force), in the case of a purchase for a payment not exceeding 1p in respect of each holding of "D" Shares, without obtaining the sanction of the holder thereof; and
- (c) pending any such transfer or cancellation or purchase to retain the certificate for such shares.

3.4 On a return of capital of the Company on liquidation or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied:

- (a) first in repaying to the holders of the "D" Shares the nominal amount then credited as paid up on each such "D" Share; and
- (b) secondly in paying any balance to the holders of the "A" Ordinary Shares, the "B" Ordinary Shares and the "C" Ordinary Shares (the "A" Ordinary Shares, the "B" Ordinary Shares and the "C" Ordinary Shares being treated as one class for this purpose) *pro rata* (as nearly as may be) to their respective holdings of "A" Ordinary Shares, "B" Ordinary Shares and "C" Ordinary Shares.

4.1 Subject to the provisions of Articles 4.2 to 4.6 below the Directors are unconditionally authorised during the period of five years from the date of the adoption of these Articles to allot, grant options over or otherwise dispose of the unissued shares of the Company up to a maximum aggregate nominal value of £110,995 (being the amount of the authorised but unissued share capital of the Company existing at the date of the adoption of these Articles) to such persons (whether or not members of the Company), for such consideration, on such terms, in such manner and at such times as the Directors consider appropriate.

4.2 Save as the holders of the "A" Ordinary Shares and the holders of the "B" Ordinary Shares shall otherwise agree in writing all new shares created upon any increase of capital and any issue of unissued shares shall consist of such number of "A" Ordinary Shares and "B"

Ordinary Shares as reflects the proportion as nearly as may be in which the "A" Ordinary Shares and the "B" Ordinary Shares were held prior to such issue.

- 4.3 Upon any issue of shares (other than "C" Ordinary Shares or "D" Shares) the Directors shall first offer the "A" Ordinary Shares to be issued to the holders for the time being of the existing issued "A" Ordinary Shares and if such offer shall not be fully accepted within twenty-one days of the making thereof or on the receipt of an intimation from the member concerned that he declines to accept such offer in full the Directors shall thereupon offer any remaining "A" Ordinary Shares to be issued to the holders for the time being of the existing "B" Ordinary Shares. If such last mentioned offer shall not be fully accepted within twenty-one days from the making thereof or on receipt of an intimation from the member concerned that he declines to accept such offer in full the Directors may allot or otherwise dispose of the remaining unissued "A" Ordinary Shares as they may in their discretion think fit subject always to compliance with paragraph 4.2 of this Article.
- 4.4 The provisions of paragraph 4.3 of this Article shall also apply to any issue of "B" Ordinary Shares save that references to "A" Ordinary Shares shall be construed as references to "B" Ordinary Shares and references to "B" Ordinary Shares shall be construed as references to "A" Ordinary Shares.
- 4.5 Upon any issue of "C" Ordinary Shares or "D" Shares the Directors shall first offer the "C" Ordinary Shares or "D" Shares which are intended to be issued to the existing members (other than to members holding only "D" Shares) by notice in writing specifying the number of and subscription price for the shares offered, limiting a period (being not less than 14 days) after which the offer, if not accepted, shall be deemed to have been declined and inviting each such member to apply for any number of the shares up to the total number of the shares being offered on terms that the shares to be issued shall be allocated, first to the existing holders of "C" Ordinary Shares (if any), and in the case of competition between them, in proportion (as nearly as possible without involving fractions) according to the number of "C" Ordinary Shares of which they are respectively registered or entitled to be registered as holders, and secondly, to the extent that there remain any shares which are not taken up, to the existing holders of "A" Ordinary Shares and "B" Ordinary Shares, and in the case of competition between them, in proportion (as nearly as possible without involving fractions) according to the aggregate number of "A" Ordinary Shares and "B" Ordinary Shares of which they are respectively registered or entitled to be registered as holders. Provided that no applicant shall be obliged to take more than the maximum number of shares applied for by him. Any shares for which acceptances are not received under the provisions of this paragraph shall be under the control of the Directors who may allot or otherwise dispose of them as they in their discretion think fit subject always to compliance with

paragraph 4.2 of this Article. For the avoidance of doubt no holder of "D" Shares shall (in his capacity as such) have any right to be offered any new shares pursuant to the provisions of this paragraph 4.5.

4.6 The restrictions in Articles 4.2 to 4.5 above shall not apply to any of the following allotments of shares:

- (a) the allotment of shares by way of capitalisation of profits or share premium account to members in proportion (as nearly as possible without involving fractions) according to the number of shares in the Company of the same class as those to be allotted held by each of them respectively;
- (b) the allotment and issue of 462,960 "B" Ordinary Shares for an aggregate subscription price of £500,000;
- (c) the allotment and issue of a maximum of 329,200 "C" Ordinary Shares pursuant to the exercise of options granted under the Option Scheme;
- (d) the allotment of shares by way of dividend in accordance with the provisions of Article 5 below.

4.7 To the extent permitted by Section 91(1) of the Act, Sections 89(1) and 90(1) to (6) of the Act are hereby excluded from applying to the Company.

4.8 Save as permitted by law, nothing in this Article shall authorise the allotment or issue of shares in the Company at a discount.

5. If the Directors so determine:

- (a) they may, with the prior sanction of the Company by special resolution and upon such terms and conditions and in such manner as may be specified in such special resolution and otherwise as the Directors may determine, offer the holders of all or any class of shares the right to elect to receive (instead of cash in respect of all or part of any dividend declared on shares registered in their names) further shares of the same class in respect of all or part of their holding of such shares, credited as fully paid;
- (b) any such resolution may specify a particular dividend and/or all or any dividends (or any part of such dividends) declared or paid within a specified period;
- (c) the terms and conditions specified in any such resolution may provide for the conversion into shares of any other class (whether or not such class is already in

existence prior to the passing of the resolution) of any or all the shares in respect of which an election is made to receive shares in lieu of cash;

- (d) when any right of election is to be offered to the holders of shares pursuant to this Article, the Directors shall make such offer to such holders in writing (conditionally, if the necessary special resolution has yet to be passed, upon such resolution being passed) and shall make available to or provide such holders with forms of election (in such form as the Directors may approve) whereby such holders may exercise such right and shall notify such holders of the procedure to be followed and of the place at which, and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (e) in relation to such offer, the nominal and/or market value of the further shares need not be equal to the cash dividend but may be more or less and the Directors may make such provisions as they see fit for disregarding or rounding up or down fractional entitlements;
- (f) following any election to receive shares by holders of shares in accordance with this Article, the relevant dividend (or that part of a dividend in respect of which a right of election has been offered) shall not be payable on the shares in respect of which the election was made but, in lieu thereof, the Directors shall capitalise out of profits of the Company available for distribution, or out of any sum standing to the credit of the Company's share premium account or capital reserves (including any capital redemption reserve) as the Directors may determine, a sum equal to the aggregate nominal value of the number of shares required to be allotted and shall apply such sum in paying up in full such number of additional shares and shall allot and distribute the same to and amongst such holders on the basis set out in this Article 5.

- 6. The lien conferred by Clause 8 in Table A shall attach to fully paid shares and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of two or more joint holders.

RESOLUTIONS

- 7. Any such resolution in writing as is referred to in Clause 53 of Table A may consist of several documents in the like form each signed by one or more of the members (or their duly authorised representatives) in that Clause referred to.

TRANSFERS

- 8.1 The Directors shall register a transfer made either in accordance with the provisions of Article 9 below or pursuant to the written agreement of all the members for the time being.
- 8.2 Subject to the provisions of paragraph 8.1 above the Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any share.
- 9. Shares may at any time be transferred only with the consent in writing of all other members of the Company (other than members holding only "C" Ordinary Shares and/or "D" Shares). For the purposes of this Article 9 all the members of the Company shall be deemed in the absence of evidence to the contrary to have given their consent to a transfer of shares if both "A" Directors (or one where there is only one "A" Director in office) and any one "B" Director have approved such transfer in writing.

PROCEEDINGS AT GENERAL MEETINGS

- 10. No business shall be transacted at any General Meeting unless a quorum is present. Two members present (of whom one shall be or represent a holder of "A" Shares and one shall be or represent a holder of "B" Shares) shall be a quorum for all purposes.
- 11. In Clause 41 of Table A the following words are to be added at the end "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the Meeting the Meeting shall stand dissolved".
- 12. It shall not be necessary to give any notice of an adjourned meeting and Clause 45 of Table A shall be construed accordingly.
- 13. A poll may be demanded by any member present in person or by proxy and Clause 46 of Table A shall be modified accordingly.
- 14. The "C" Ordinary Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting unless the business of the meeting includes the consideration of a resolution directly and adversely affecting any of the rights attached to the "C" Ordinary Shares, in which event the holders of such shares shall be entitled to receive notice of the meeting in question and shall be entitled to vote on that resolution only. Subject thereto, on a show of hands every member (other than a member holding only "D" Shares) who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote and on a poll every member who is present in person or by proxy or, if a

corporation, by representative or proxy shall have one vote for each share (other than any "D" Share) of which he is the holder Provided that:-

- (a) no "A" Ordinary Shares or "C" Ordinary Shares shall confer any right to vote upon a resolution for the removal from office of a "B" Director;
- (b) no "B" Ordinary Shares or "C" Ordinary Shares shall confer any right to vote upon a resolution for the removal from office of an "A" Director;
- (c) if at any meeting any holder of any "A" Ordinary Shares is not present in person or by proxy the votes exercisable on a poll in respect of the "A" Ordinary Shares held by members present in person or by proxy shall be *pro tanto* increased so that such "A" Ordinary Shares together entitle such members to the same aggregate number of votes as could be the case in respect Ordinary Shares if all the holders thereof were present; and
- (d) the provisions of sub-paragraph 14.1(c) of this Article shall apply to the votes exercisable on a poll in respect of "B" Ordinary Shares except that references to "A" Ordinary Shares shall be construed as references to "B" Ordinary Shares.

14.2 The Chairman of a General Meeting, shall not be entitled to a second or casting vote.

DIRECTORS

15. The number of Directors shall be not less than three.

16.1 The holders of a majority of the "A" Ordinary Shares for the time being issued shall be entitled by notice in writing signed by them and left at or sent by registered post to the registered office for the time being of the Company to appoint two Directors and by like notice to remove any Director so appointed and at any time and from time to time by like notice to appoint any other person to be a Director in the place of the Director so removed or in the place of any Director vacating office in any way and originally so appointed by them. Any Director so appointed shall be an "A" Director. The holders of a majority of the "B" Ordinary Shares for the time being issued shall be entitled by notice in writing signed by them and left at the registered office for the time being of the Company to appoint one Director and by like notice to remove any Director so appointed and at any time and from time to time by like notice to appoint any other person to be a Director in the place of the Director so removed or in the place of any Director vacating office in any way and originally so appointed by them. Any Director so appointed shall be a "B" Director. Any notice given pursuant to this paragraph of this Article shall take effect immediately upon delivery to the registered office of the Company.

- 16.2 Every Director appointed pursuant to this Article shall hold office until he is either removed or dies or vacates office pursuant to Article 23 and (subject to the provisions of Section 303 of the Act) neither the Company in General Meeting nor the Directors shall have power to fill any such vacancy but the provisions of this Article may be relaxed or varied to any extent by agreement in writing between the holders of a majority of the "A" Ordinary Shares for the time being issued and the holders of a majority of the "B" Ordinary Shares for the time being issued.
- 16.3 Any Director appointed pursuant to this Article shall be at liberty from time to time to make such disclosures to the shareholder (and where such shareholder is a corporation to its holding company or any of the subsidiary companies of such holding company) appointing him as to the business and affairs of the Company as he shall in his absolute discretion determine.
- 16.4 Except in the manner provided by this Article and Article 17 below no person shall be appointed to fill any vacancy occurring in the office of Director and neither the Company in General Meeting nor the Directors shall have power to fill any such vacancy.
17. The holders of all the "A" shares and all the "B" shares may jointly from time to time by notice in writing signed by them and left at or sent by registered post to the registered office for the time being of the Company appoint full time employees of the Company as Directors and by like notice remove any Director so appointed and at any time and from time to time by like notice appoint any other person to be a Director in place of the Director so removed or in the place of or in addition to any Director appointed under this Article.
18. A Director need not hold any shares of the Company to qualify him as a Director but he shall be entitled to receive notice of and attend at all General Meetings of the Company and at all separate General Meetings of the holders of any class of shares in the capital of the Company.
19. If any Director shall be called upon to perform extra services or to make special exertions for any of the purposes of the Company the Company may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by a resolution passed at a Board Meeting of the Directors of the Company, and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled as a Director.
20. The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures,

debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.

21. A Director entitled to vote may vote as a Director in regard to any contract or arrangement in which he is interested, or upon any matter arising thereout, and if he does so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration and Clause 94 in Table A shall be modified accordingly.
22. The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or on his death to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.
23. The Office of Director shall be vacated if the Director:-
 - 23.1 becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - 23.2 becomes prohibited from being a Director by reason of any order made under Sections 296 to 299 of the Act; or
 - 23.3 in the opinion of all his co-Directors becomes incapable by reason of mental disorder of discharging his duties as Director; or
 - 23.4 resigns his office by notice in writing to the Company; or
 - 23.5 is removed from office under Articles 16 or 17.
- 24.1 Any Director may by writing under his hand appoint any other person to be his alternate and every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the Directors and, in the absence from the Board of the Director appointing him, to attend and vote at meetings of the Directors and to exercise all the powers, rights, duties and authorities of the Director appointing him. A Director may at any time revoke the appointment of an alternate appointed by him, and subject to such approval as aforesaid appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine. An alternate Director shall not be counted in reckoning the maximum number of Directors allowed by the Articles of Association for the time being in the absence of his appointor. A Director acting as alternate shall have an additional vote at meetings of Directors for each Director for whom

he acts as alternate but he shall count as only one for the purpose of determining whether a quorum be present.

- 24.2 Every person acting as an alternate Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the alternate and the Director appointing him.
25. The quorum necessary for the transaction of the business of the Directors shall be two, of whom one shall be an "A" Director and one a "B" Director. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. If a quorum is not present within half an hour of the time fixed for the meeting the meeting shall stand adjourned until the same day in the next week at the same time and place when the Director or Directors then present shall form a quorum.
26. Any such resolution in writing as is referred to in Clause 93 of Table A may consist of several documents in the like form each signed or approved by letter telex or cable by one or more of the Directors for the time being entitled to vote at a meeting of the Directors and Clause 93 of Table A shall be modified accordingly.
27. The Directors may delegate any of their powers to committees upon which both the "A" Directors and "B" Directors shall be represented. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed by the Directors. Any such delegation may be made subject to any conditions the Directors may unanimously impose, either collaterally with or without exclusion of their own powers and which may be subsequently revoked or altered.
28. The meeting and proceedings of any committee of the Directors formed pursuant to Article 27 above shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors pursuant to Article 27.
29. Any Director or alternate Director or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in the meeting in this manner shall be deemed to constitute presence in person at such meeting.

30. The Directors may from time to time appoint one or more of their body to hold any executive office in the management of the business of the Company including the office of Chief Executive or Managing or Joint Managing or Deputy or Assistant Managing Director as the Directors may decide for such fixed term or without limitation as to period and on such terms as they think fit and a Director appointed to any executive office shall (without prejudice to any claim for damages for breach of any Service Contract between him and the Company) if he ceases to hold the office of Director from any cause ipso facto and immediately cease to hold such executive office.
31. Questions arising at any meeting of Directors shall be determined by a majority of votes, whether such majority shall consist of a whole or a fraction of a vote. In the case of an equality of votes the Chairman of the Board of Directors shall not have a casting vote. Clause 88 of Table A shall be modified accordingly.
32. The following proviso shall be added to sub-clause (b) of Clause 110 of Table A: "provided that the resulting shares distributed to the holders of the "A" Ordinary Shares in respect of their holdings of "A" Ordinary Shares shall be "A" Ordinary Shares and those distributed to the holders of the "B" Ordinary Shares shall be "B" Ordinary Shares in respect of their holdings of "B" Ordinary Shares and those distributed to the holders of the "C" Ordinary Shares in respect of their holdings of "C" Ordinary Shares shall be "C" Ordinary Shares and provided further that all new shares shall be issued in accordance with Article 4.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

33. Any one of the directors or the secretary for the time being of any corporation which is a member of the Company, or any other person appointed by resolution of the directors or other governing body of such corporation, may (subject to the Articles of Association of that corporation) act as its representative at any meeting of the Company or any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.
34. Any one of the Directors or the Secretary for the time being of the Company or any other person appointed by resolution of the Directors or other governing body of the Company may act as its representative at any meeting of any corporation of which the Company is a member or of any class of members of such corporation and the person so authorised shall be entitled to exercise the same powers on behalf of the Company as the Company could exercise if it were an individual member of that corporation.

INDEMNITY

35. Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and 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 judgement 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 the 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 execution of the duties of his office or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by the Act.

MATTERS REQUIRING APPROVAL OF THE SHAREHOLDERS

- 36.1 Save with the consent in writing of all members of the Company (other than members holding only "C" Ordinary Shares and/or "D" Shares), the Company shall not:-
- (a) make any change in its accounting reference date;
 - (b) sell, transfer, lease, licence, assign, dispose of any material part of its business;
 - (c) allot or issue or agree to allot or issue any shares or stock or any loan stock or grant or agree to grant options over or rights in any such shares, stock or securities or loan capital;
 - (d) enter into any contract of employment with any person or make any change to the terms of engagement of any employee which would result in the Company's budget for employment costs for that period being exceeded by more than 15 per cent;
 - (e) pay fees or emoluments to the Directors, as directors of the Company (or any of its subsidiaries);
 - (f) pass any ordinary, special or extraordinary resolution in general meeting;
 - (g) give any guarantee or indemnity or assurance whatsoever;
 - (h) create, issue or permit to exist any debenture, mortgage, charge or other encumbrance over any of its assets or increase the amount of any borrowings capable of being secured thereby;

- (i) acquire any share or loan capital of any body corporate or any interest therein or option thereover;
- (j) incur any borrowings or accept any credit or make any loan or extend any credit other than credit accepted or given the normal course of trading;
- (k) incur any capital expenditure in excess of £50,000;
- (l) make any tax elections or elections in respect of VAT;
- (m) institute any litigation, arbitration or other similar proceedings;
- (n) enter into any loan agreement or other financing agreement;
- (o) enter into any joint venture, partnership or profit sharing arrangement of any third party;
- (p) enter into any material contract or commitment or accept any obligation otherwise than in the ordinary and proper course of business on arm's length terms;
- (q) pay any dividend;
- (r) do or allow anything to be done whereby the Company would be wound up.
- (s) alter, replace or disapply the whole of or any part of these articles, or transact any business or pass any resolution which anticipates or necessitates any alteration, replacement or disapplication of these articles.

36.2 The members of the Company shall be deemed to have given their consent for the purposes of clause 36.1 above subject to evidence to the contrary, if both "A" Directors (or one, when there is only one "A" Director in office) and any one "B" Director have approved any such matter in writing. For the avoidance of doubt, no consent shall be required under Article 36 from members holding only "C" Ordinary Shares and/or "D" Shares.

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INNOVISION RESEARCH & TECHNOLOGY LIMITED

UNAPPROVED SHARE OPTION SCHEME 2000

RULES

Adopted 10th FEBRUARY 2000

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ONE FRIAR STREET
READING
BERKSHIRE
RG1 1DA

Tel 0118 958 7111

THE INNOVISION RESEARCH & TECHNOLOGY LIMITED
UNAPPROVED SHARE OPTION SCHEME 2000

RULES

1. DEFINITIONS

1.1 In these Rules:

1.1.1 unless the context otherwise requires the following expressions shall have the meanings respectively set opposite thereto:

“the Auditors”	the Auditors for the time being of the company;
“the Board”	the Board of Directors for the time being of the Company or a duly authorised Committee thereof;
“the Company”	Innovision Research & Technology Limited (company number 3024348);
“control”	the same meaning as in Section 840 of the Income and Corporation Taxes Act 1988;
“Date of Grant”	in respect of any Option the date of grant of such Option in accordance with Rule 3;
“Eligible Employee”	any full-time director or other full-time employee of any member of the Group (and for this purpose a director or other employee will be treated as full-time if he is required to work at least 30 hours per week);
“the Group”	the Company and its Subsidiaries (if any) for the time being;
“Option”	the right in accordance with the Rules to subscribe at the Subscription Price for one Option Share;
“Option Share”	a fully paid “C” Ordinary Share of 1p in the capital of the Company;
“Participant”	an Eligible Employee who has been granted and remains entitled to exercise one or more Options to

subscribe for Option Shares pursuant to the Scheme or (where the context admits) his personal representatives;

“the Rules” the Rules of the Scheme from time to time;

“the Scheme” this Scheme as adopted by Ordinary Resolution of the Company in General Meeting with such alterations thereto as may duly be made from time to time pursuant to the provisions of the Rules;

“Subscription Price” the price at which a Participant may exercise an Option in accordance with the Rules;

“Subsidiary” a subsidiary of the Company (within the meaning of Section 736 Companies Act 1985) and “Subsidiaries” shall be construed accordingly;

1.1.2 where the context admits the singular shall include the plural and *vice versa* and references to any gender shall include all genders;

1.1.3 references to statutory provisions are to be construed as references to those provisions as for the time being amended, re-enacted or codified.

2. THE NAME OF THE SCHEME

2.1 The Scheme shall be known as “The Innovision Research & Technology Limited Unapproved Share Option Scheme 2000” or such other name as the Board shall from time to time decide.

3. THE GRANT OF OPTIONS

3.1 The Board may from time to time in its absolute discretion, but subject to the Rules, grant Options to such Eligible Employees and in such manner as it shall in its absolute discretion think fit. Options may be granted only to Eligible Employees. No Eligible Employee shall be entitled to participate in the Scheme unless the Board shall have specifically resolved to grant Options to him. Options may be granted subject to such objective condition or conditions precedent to their exercise (if any) as the Board in its discretion shall think fit provided that any such conditions shall cease to have effect no later than the date of exercise of such Options. Such conditions may be imposed on all or any Eligible Employees.

3.2 No price shall be required to be paid for any Option and Options shall be granted by means of the issue of a certificate under the common seal of the Company (or otherwise executed

and delivered by the Company as a deed) in such form as the Board may from time to time determine but which shall set out the terms of the Option and which may relate to one or more Options.

- 3.3 Any Eligible Employee to whom an Option is granted may disclaim such Option by notice in writing to the Secretary of the Company within 30 days after the Date of Grant and in such case the Option shall be deemed never to have been granted hereunder. No consideration shall be payable for any such disclaimer.

4. **THE SUBSCRIPTION PRICE**

- 4.1 The Subscription Price in respect of an Option Share the subject of an Option shall be determined by the Board at the Date of Grant but shall not be less than the nominal value of an Option Share.

5. **LIMITATIONS ON THE SCHEME**

- 5.1 Subject to such adjustments as shall be made in accordance with Rule 10 hereof, the aggregate number of Option Shares which may be issued under the Scheme shall not exceed 329,200 Option Shares or such greater number as the Company in General Meeting may from time to time resolve.

6. **NON-ASSIGNABILITY OF OPTIONS**

- 6.1 No Option granted to a Participant under the Scheme shall be capable of being transferred or of being mortgaged, pledged or encumbered in any way whatsoever.

7. **WHEN OPTIONS MAY BE EXERCISED**

- 7.1 Subject as hereinafter set out an Option shall be exercisable only between the date specified in the Option Certificate relating to that Option and the tenth anniversary of the Date of Grant.
- 7.2 Save pursuant to Rules 7.5 or 7.7, Options may only be exercised at a time when shares in the Company are listed or dealt in on the stock exchange of London Stock Exchange Limited or on the Alternative Investment Market or on any other recognised stock exchange as defined in the Companies Act 1985.
- 7.3 If a Participant dies before exercising all the Options granted to him under the Scheme the Options remaining capable of exercise shall be exercisable by his personal representatives (subject to such Options not being exercised more than ten years after the Date of Grant)

after, but not later than one year after, the date of his death free from the other limitations contained in Rule 7.1 above (but, for the avoidance of doubt, subject always to Rule 7.2).

7.4 If a Participant ceases to be in the service of the Group by reason of redundancy (within the meaning of the Employment Rights Act 1996) or by reason of retirement at or after normal retiring age or on earlier retirement by reason of his injury or disability (as evidenced to the satisfaction of the Board) any Options held by him shall be and remain exercisable for a period of six months from the date of termination of his employment (but not after the expiry of ten years from the Date of Grant) free from the other limitations contained in Rule 7.1 above (but, for the avoidance of doubt, subject always to Rule 7.2).

7.5 If any person obtains control of the Company as a result of:

7.5.1 any agreement for the sale of the entire issued share capital of the Company; or

7.5.2 making a general offer to acquire the whole of the issued share capital of the Company other than that which is already owned by it which is made on a condition such that if it is satisfied the person making the offer will have control of the Company;

each Participant shall be entitled at any time within 40 days of the time when the person entering into the agreement, or making the offer has obtained control of the Company and any condition subject to which the agreement or offer is made has been satisfied (but not after the expiry of ten years from the Date of Grant) to exercise his Options to the full extent to which they remain unexercised free from the other limitations contained in Rule 7.1 or in Rule 7.2. For the purposes of this Rule 7.5 a person shall be deemed to have obtained control of the Company if he and others acting in concert with him have together obtained control of it.

7.6 If under Section 425 of the companies Act 1985 the Court sanctions a compromise or arrangement, any Option may be exercised within six months of the Court sanctioning the compromise or arrangement (but not after the expiry of a period of ten years from the Date of Grant) free from the other limitations contained in Rule 7.1 (but, for the avoidance of doubt, subject always to Rule 7.2).

7.7 If any person becomes bound or entitled to acquire Option Shares under Sections 428 to 430F of the Companies Act 1985, any Option may be exercised at any time when that person remains so bound or entitled (but not after the expiry of a period of ten years from the Date of Grant) free from the other limitations contained in Rule 7.1 or in Rule 7.2.

- 7.8 If the Company passes a resolution for voluntary winding up, any Option may be exercised within six months of the passing of the resolution (but not after the expiry of a period of ten years from the Date of Grant) free from the other limitations contained in Rule 7.1 (but, for the avoidance of doubt, subject always to Rule 7.2).
- 7.9 If as a result of any event specified in Rules 7.5 or 7.6 another company has obtained control of the company, or if another company has become bound or entitled as mentioned in Rule 7.7, any Participant may seek the agreement of that other company ("the Acquiring Company") and if such agreement is obtained may at any time within the period of 30 days after the time when such company has obtained control or (as the case may be) at any time when such company remains bound or entitled as mentioned in Rule 7.7 release some or all of his subsisting Options (being Options which have neither lapsed nor been exercised) in consideration of the grant to him of new Options which satisfy the following conditions:
- 7.9.1 each such new Option shall give the holder the right to subscribe for one share in the Acquiring Company or a company which has control of the Acquiring company;
- 7.9.2 the new Options granted to a Participant in consideration of the release of his old Options shall give such Participant rights to acquire such number of such shares as are mentioned in paragraph 7.9.1 above as has immediately following the grant of the new Options an aggregate market value equal to the aggregate market value of the Option Shares subject to the old Options immediately before the release (market value in each case being as certified by the Auditors);
- 7.9.3 each new Option granted to a Participant shall have a Subscription Price such that the aggregate price payable on complete exercise of the new Options granted to the Participant equals the aggregate price which would have been payable on complete exercise of the old Options in consideration of the release of which the new Options were granted; and
- 7.9.4 the new Options shall be exercisable in the same manner as the old Options and shall be subject to the Rules as they had the effect immediately prior to the release of the old Options.

The new Options of a Participant shall, for all other purposes of the Scheme, be treated as having been granted at the same time as the old Options in consideration of the release of which they were granted. With effect from the release, these Rules shall, in relation to such new Options, be construed as if references to the Company and to Option Shares were references to the Acquiring Company and to shares in the Acquiring Company or (as the case may be) the other company in respect of whose shares the new Options are granted.

8. MANNER OF EXERCISE OF OPTIONS

- 8.1 Options shall be exercised by a Participant lodging with the Secretary of the Company (or some other person authorised by the Board for the purpose) at its registered office the appropriate option certificate and a notice in such form as the Board may from time to time prescribe for the purpose together with payment (in such manner as the Board shall in any case direct) of a sum equivalent to the aggregate of the Subscription Prices of the Options then being exercised by him.
- 8.2 Except pursuant to Rules 7.3, 7.4, 7.5, 7.6, 7.7 and 7.8, notice of exercise of any Options may only be served during the period commencing 90 days after and expiring 120 days after the last day of any financial year (both dates inclusive).
- 8.3 Options held by any Participant may only be exercised in multiples of 100 or to the full extent outstanding.
- 8.4 The Company and any other company from time to time employing a Participant, or any one or more of them (in either case, the "Relevant Person"), shall have the right, prior to the allotment and issue of the Option Shares otherwise issuable to a Participant pursuant to the exercise of an Option:
- 8.4.1 to require the Participant to remit to or at the direction of the Relevant Person an amount sufficient to satisfy all United Kingdom and/or other taxes or other amounts required to be withheld or accounted for by the Relevant Person (including employees' social security contributions, if applicable) in connection with the grant, holding and/or exercise of the Option;
 - 8.4.2 to reduce the number of Option Shares otherwise issuable to the Participant by an amount equal in value to the amount of all such taxes required to be so withheld or accounted for; or
 - 8.4.3 to deduct the amount of such taxes from cash payments otherwise to be made to the Participant.
- The Board may make such arrangements and determinations in this regard, consistent with the Rules, as it may in its absolute discretion consider to be appropriate.
- 8.5 The Board shall within 30 days of the receipt of a valid notice exercising any Options cause the Company to allot the relevant Option Shares and to issue them in the name of the Participant who has exercised the Options and shall issue a new certificate to the Participant in respect of any unexercised Options.

8.6 Option Shares issued pursuant to any Option shall rank *pari passu* in all respects with the Option Shares then in issue except that unless the Board otherwise resolves they will not rank for any dividend or other distribution of the Company receivable by reference to a record date occurring before the date of such issue.

8.7 The Company shall after taking into account all actual or contingent obligations of the company to issue Option Shares in the Company maintain in being a sufficient number of unissued Option Shares to satisfy all rights to subscribe for Option Shares from time to time subsisting under Options granted pursuant to the Scheme.

9. **LAPSE OF OPTIONS**

9.1 An Option granted to a Participant shall lapse and cease to be exercisable upon any of the following events:

9.1.1 on the expiry of ten years from the Date of Grant;

9.1.2 subject to Rule 7 and subject to any resolution of the Board to the contrary, on that Participant ceasing for any reason whatsoever to be an Eligible Employee or ceasing to be employed by the Company or any of its Subsidiaries;

9.1.3 subject to Rule 7 and subject to any resolution of the Board to the contrary, on that Participant giving notice to terminate his employment with the Company or any of its Subsidiaries or on the Company or such one of its Subsidiaries as shall be his employer giving notice to terminate the employment of that Participant;

9.1.4 on the commencement of the winding-up of the company (other than a voluntary winding-up) or (in the case of a voluntary winding-up) on the expiry of a period of six months from the date of passing of the resolution for winding-up; and

9.1.5 where pursuant to Rules 7.3, 7.4, 7.5, 7.6 or 7.7 a Participant is entitled to exercise the Option within a particular period, the expiry of that period before the Option is exercised Provided that if within any period permitted by Rule 7.9 and in pursuance of such Rule 7.9 Options are released the new Options granted in consideration of such release shall not lapse on the expiry of that period.

10. **ALTERATIONS TO SHARE CAPITAL**

10.1 In the event of any issue of Option Shares by way of capitalisation of profits or reserves or any issue by way of rights or any consolidation or sub-division or reduction of capital, then the number of Option Shares subject to the Scheme, the number of Options then held by each

Participant and the Subscription Price may be adjusted by the Board in such manner as it shall determine to be appropriate provided always that:

10.1.1 no such adjustment shall take effect until it has been referred by the Board to the Auditors for the issue by them of a letter confirming the adjustment to be fair and reasonable in their opinion; and

10.1.2 every such adjustment once confirmed by the Auditors as aforesaid shall be notified by the Board to all Participants holding Options affected by such adjustment.

10.2 Where pursuant to this Rule 10 the number of Options held by a Participant is increased the additional Options shall be exercisable at the same time or times as the Options held by the Participant immediately before the said increase and in deciding whether any of the said additional Options are exercisable at any time the said additional Options shall be treated as issued pro rata to the Options so held immediately before the said increase.

11. DAMAGES AND COMPENSATION ON DISMISSAL

11.1 A person who ceases for whatever reason to hold the office or employment by virtue of which he is eligible to participate in the Scheme shall not be entitled to any damages additional damages or other compensation in respect of any alteration or loss of any right or benefit or prospective right or benefit under the Scheme which he might otherwise have enjoyed whether such compensation is claimed by way of compensation for unfair dismissal or breach of contract or by way of compensation for loss of office or otherwise.

12. ADMINISTRATION AND AMENDMENTS

12.1 The Scheme shall be administered under the direction of the Board. The Board may at any time and from time to time by Resolution and without other formality amend the Rules in any respect provided that:

12.1.1 (save with the prior consent in writing of the holders of not less than 75 per cent. in number of the Options then outstanding) no amendment shall operate to affect adversely in any way any rights already acquired by any Participant under the Scheme;

12.1.2 except with prior approval by way of an Ordinary Resolution no amendment may be made to, or so as to, nullify or override Rule 1, insofar as concerns the definition of "Eligible Employee", or "Subscription Price", Rules 3, 4, 5, 6, 7, 8.2, 8.4, 8.6, 9, 10 or this Rule 12.

12.2 In any matter in which they are required to act hereunder the Auditors shall be deemed to be acting as experts and not as arbitrators and their decision shall be final and binding. Subject

thereto the Board's decision on any matter relating to the interpretation of the Rules and any other matter concerning the Scheme shall be final and binding.

- 12.3 The provisions of the Company's Articles of Association for the time being with regard to the service of notices shall apply *mutatis mutandis* to any notice to be given by the Company hereunder.

13. **TERMINATION**

- 13.1 The Scheme may be terminated at any time by a Resolution of the board or by an Ordinary Resolution of the Company in General Meeting but any termination shall not in any material way affect any rights already acquired by any Participant under the Scheme unless previously approved in writing by such Participant.