

Company No 03386264
Private company limited by shares

WRITTEN RESOLUTION
OF
MERCED SYSTEMS LIMITED (Company)

Circulated on *March 22,* 2013

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, it is proposed by the directors of the Company that the following resolutions are passed as a special resolution and an ordinary resolution respectively

SPECIAL RESOLUTION

- 1 That the regulations contained in the printed document submitted to the meeting (and signed by the Chairman for the purposes of identification) are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all the existing articles of association of the Company including the relevant provisions of the memorandum of association that would otherwise be treated as provisions of the articles under section 28 of the Companies Act 2006

ORDINARY RESOLUTION

- 2 That the directors be and they are hereby generally and unconditionally authorised for the purposes of section 550 of the Companies Act 2006 (2006 Act) to exercise all powers of the Company to allot shares and/or grant rights to subscribe for or to convert any security into shares in the Company provided always that the Company has only one class of shares (as defined in section 629 of the 2006 Act)

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the resolutions

The undersigned, a person entitled to vote on the above resolution on the date on which the resolutions are circulated, hereby irrevocably agrees to the resolutions:

Signature

Name

For and on behalf of
NICE Systems Technologies Inc.

Date of signature *March 22,* 2013

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THURSDAY



A31 *A2540R8B*
28/03/2013 #260
COMPANIES HOUSE

NOTES FOR MEMBERS

1. You can choose to agree to the special resolution or not. If you agree to the resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
 - **By Hand.** delivering the signed copy to Stephen Dunne at Tollbar House, Tollbar Way, Hedge End, Southampton, Hampshire SO30 2ZP
 - **Post.** returning the signed copy by post to the Company at the above address, marked for the attention of Stephen Dunne.
 - **Email** returning a signed copy to stephen.dunne@nice.com, together with an original signed copy to follow by post
- 2 If you do not agree to the resolution, you do not need to do anything as you will not be deemed to agree if you fail to reply.
- 3 Your agreement is irrevocable which means that once you have indicated your agreement to the resolution, you may not change your mind
- 4 Unless, within 28 days from the circulation date of this written resolution, sufficient agreement has been received for the resolution to pass, it will lapse. If you agree to the resolution, please ensure that your agreement reaches us before or during this date.

The Companies Act 1985
(As amended by the Companies Act 1989)
Private Company Limited by Shares

MEMORANDUM OF ASSOCIATION

of

MERCED SYSTEMS LTD
~~PRACTIQUE ASSOCIATES LIMITED~~

1. The Company's name is MERCED SYSTEMS LTD
~~PRACTIQUE ASSOCIATES LIMITED~~
2. The Company's registered office is to be situated in England and Wales


COMPANIES HOUSE

WE, the subscribers to this Memorandum of Association wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names

Names and Addresses of Subscribers

Number of shares taken
by each Subscriber

For and on behalf of
WATERLOW NOMINEES LIMITED
Classic House
174-180 Old Street
LONDON
EC1V 9BP

ONE

For and on behalf of
WATERLOW SECRETARIES LIMITED
Classic House
174-180 Old Street
LONDON
EC1V 9BP

ONE

Dated the 13th day of January 1997

WITNESS to the above Signatures:-

JOANNE VINES
22 Gittens Close
Durham Hill
Bromley
BR1 5LA

MERCED SYSTEMS LTD

~~PRACTIQUE ASSOCIATES LIMITED~~

Articles of Association

McGrigors
Edinburgh

Princes Exchange

1 Earl Grey Street

EDINBURGH

EH3 9AQ

Telephone: 0131 777 7000

Facsimile: 0131 777 7003

E-Mail enquiries@mcgrigors.com

Web Site <http://www.mcgrigors.com>

WS115

THE COMPANIES ACTS 1985-1989
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of
MERCED SYSTEMS LTD
~~PRACTIQUE ASSOCIATES LIMITED~~
(the "Company")

(adopted by special resolution on 17th October 2006)

1 **DEFINITIONS AND INTERPRETATION**

1.1 In these Articles, unless the context requires otherwise:-

"Act" means the Companies Act 1985 as amended, re-enacted or replaced from time to time whether before or after the adoption of these Articles,

"Auditors" means the auditors for the time being of the Company;

"Board" means the board of directors of the Company from time to time;

"business day" means a day, other than a Saturday or a Sunday, on which clearing banks are open for commercial business in London,

"Directors" means the directors of the Company from time to time;

"equity share capital" shall have the meaning set out in section 744 of the Act and "equity shares" shall be construed accordingly;

"Fair Value" means the price per share determined in accordance with Article;

"Family Settlement" means in relation to any Member who is an individual, any trust or trusts (whether arising under a settlement *inter vivos* or a testamentary disposition by whomsoever made or on intestacy) under which no immediate beneficial interest in the shares in question is, for the time being, vested in any person other than the Member concerned and/or his Privileged Relations,

"Founders" means Joanne Caroline Walker, 5 Home Farm, Bagshot Park, Bagshot, Surrey and Stephen John Bowe, 2 Lot Farm Cottages, Lutmans Haven, Knowl Hill, Reading and "Founder" shall mean any of the Founders;

"Family Settlement Company" means a company which is controlled by the trustee or trustees of a Family Settlement in their capacities as such trustees;

"Leaver" means any person who is employed or otherwise engaged by the Company from time to time and who ceases to be an employee of the Company for whatever reason and does not continue (or is immediately re-employed) as an employee of the Company or to be otherwise engaged by the Company,

"Member" means any registered holder of a Share,

"Ordinary Shares" means the ordinary Shares of £1 each of the Company, having the rights set out in Article 3 (*Ordinary Shares*),

"Permitted Transfer" means a transfer of Shares pursuant to Article 7,

"Privileged Relation" means in respect of any Member the parent or spouse or brother or sister of the Member or any lineal descendent of the Member and for these purposes the step-child or adopted child of any person shall be deemed to be that person's lineal descendent;

"Register of Members" means the register of members kept by the Company pursuant to section 352 of the Act;

"Sale Shares" as defined in Article 8.2;

"Share Option" means any options to acquire Shares granted or to be granted in terms of any employee share option scheme adopted by the Company or any other option granted by the Company after the date of adoption of these Articles,

"Shares" means shares in the capital of the Company,

"Table A" means Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000,

"Transfer Notice" as defined in Article 8.1;

"Valuer" means the Auditors (or in the event of their being unwilling or unable to act or, at the option of the Company, an independent firm of chartered accountants nominated by the President of the Institute of Chartered Accountants of England & Wales (or its equivalent from time to time) in each case acting as an expert and not as an arbiter)

- 1.2 The regulations of Table A shall be incorporated into and form part of these Articles and shall apply to the Company insofar as such regulations are not excluded, amended or modified by or inconsistent with this document
- 1.3 Regulations 5, 33 and 64, of Table A shall not apply to the Company and the following Regulations thereof shall be modified:-
 - (a) Regulation 6 by the deletion of the words "be sealed with the seal and shall";
 - (b) Regulation 24 by the addition of the words "(in their absolute discretion and without assigning any reason therefor)" between the words "may" and "refuse" and the deletion of the words "which is not" and the substitution of the words "whether or not it is",
 - (c) Regulation 32 by the addition to paragraph (b) of the words "but so that any such consolidation and/or division shall not result in any member becoming entitled to fractions of a share";
 - (d) Regulation 40 by the addition at the end of the second sentence of the words "provided that if the Company shall have only one member, one member present in person or by proxy shall be a quorum",

- (e) Regulation 46 by the deletion of paragraphs (a) to (d) inclusive and the substitution of the words "by the chairman or by any person present in person or by proxy or by a duly authorised representative, entitled to vote upon the business to be transacted;"
 - (f) Regulation 54 by the addition of the words "or by proxy" between the words "vote", and "shall" and the words "fully paid" between the words "every" and "share";
 - (g) Regulation 67 by the deletion of the words from "but" until the end,
 - (h) Regulation 78 by the deletion of the words "and may also determine the rotation in which any additional directors are to retire",
 - (i) Regulation 84 by the addition of the words "Unless the contrary shall be provided in the terms of his appointment" at the beginning of the third sentence; and
 - (j) Regulation 85(c) by the addition of the words ", subject to the terms of any contract of employment between the Company and the Director," between the words "shall" and "not".
- 1.4 These Articles and the regulations incorporated into them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.
- 1.5 In these Articles where the context so permits:-
- (a) words importing the singular number only shall include the plural number, and vice versa;
 - (b) words importing the masculine gender only shall include the feminine gender,
 - (c) words importing persons shall include bodies corporate, unincorporated associations and partnerships; and
 - (d) the expression "paid up" shall include credited as paid up
- 1.6 References in these Articles to Regulations are to regulations in Table A and references to an Article by number are to a particular Article of these Articles
- 1.7 Words and expressions defined in or for the purposes of the Act or Table A shall, unless these Articles provide otherwise, have the same meaning in these Articles
- 1.8 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them.
- 1.9 Headings used in these Articles shall not affect their construction or interpretation.
- 1.10 References to any statute or section of any statute shall include reference to any statutory amendment, extension, modification or re-enactment thereof for the time being in force.

2 AUTHORISED SHARE CAPITAL

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3 ORDINARY SHARES

The rights attached to the Ordinary Shares are as follows:-

- 3 1 Any profits which the Company determines to distribute in respect of any financial year shall be applied in distributing the balance of such profits amongst the holders of the Ordinary Shares then in issue *pari passu* according to the number of such Ordinary Shares held by them respectively as if they constituted one class of Share.
- 3 2 On a return of capital whether on liquidation or capital reduction or otherwise (other than a redemption or purchase of shares in accordance with these Articles) the surplus assets of the Company remaining after the payment of its liabilities shall be applied, in distributing the balance of such assets amongst the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.
- 3 3 Each holder of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and a holder of Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, have one vote for each Ordinary Share of which he is the holder

4 ISSUE OF SHARES

- 4.1 Subject to the Act any Shares for the time being un-issued and any new Shares from time to time created shall before they are issued be offered to the holders of the Ordinary Shares (but such shares shall not be offered to any holder of Ordinary Shares who has served a Transfer Notice including any deemed Transfer Notice) in proportion (as nearly as may be) to the nominal amount of their existing holdings of Ordinary Shares. The offer shall be made by notice specifying the number and class of shares offered and the price per share and limiting a time (not being less than 20 days or greater than 30 days) within which the offer if not accepted will be deemed to be declined. After the expiration of such time, or on the receipt of an indication from the person(s) to whom the offer is made that he/they decline(s) to accept the Shares offered or any of them, the Directors shall offer the Shares declined in like manner (save that the minimum period for acceptance may be seven days) to the other holders of Ordinary Shares who have agreed to subscribe for all the Shares offered to them in proportion (as nearly as may be) to the nominal amount of their existing holdings of Ordinary Shares. If the Shares comprised in such further offer are declined or deemed to be declined the further offer shall be withdrawn.
- 4 2 In the event that all or any of the Shares to which Article 4.1 apply are not subscribed for in accordance with the provisions of Article 4 1 the Directors may offer such Shares to a third party (to be approved by the holders of all of the Ordinary Shares) and subject to these Articles and the provisions of Section 80 of the Act such Shares shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that:-
- 4 2 1 no Shares shall be issued at a discount;

- 4.2.2 no Shares to which Article 4.1 applies shall be issued more than three months after the expiry of the period for acceptance of the last offer of such Shares made under Article 4.1 unless the procedure set out in Article 4.1 is repeated in respect of such Shares, and
- 4.2.3 no Shares shall be issued at a price less than that at which they were offered to the members of the Company in accordance with Article 4.1 and so that (if the Directors are proposing to issue such Shares wholly or partly for non-cash consideration) the cash value of such consideration for the purposes of this sub-paragraph shall be as reasonably determined by the Valuers whose determination shall be final and binding on the Company and each of its members.
- 4.3 The provisions of Articles 4.1 and 4.2 shall *mutatis mutandis* apply to all equity securities (as defined in Section 94(2) of the Act) of the Company from time to time created.

5 LIEN

The lien conferred by Regulation 8 shall attach to all shares in the capital of the Company of any class whether fully paid or not, and to all Shares registered in the name of any Member for all money presently payable by him or his estate to the Company, whether he is their sole registered holder or one of two or more joint holders. Regulation 8 shall be modified accordingly.

6 TRANSFER OF SHARES- GENERAL PROVISIONS

- 6.1 The Board shall not register the transfer of any Share or any interest in any Share unless the transfer is permitted by and is made in accordance with these Articles and is not prohibited under Article 11 (*Prohibited Transfers*).
- 6.2 For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as they deem relevant for such purpose.
- 6.3 Failing such information or evidence being furnished to their reasonable satisfaction within a reasonable time after request under Article 6.2 the Board may in their absolute discretion refuse to register the transfer in question or require by notice in writing to the Member(s) concerned that a Transfer Notice be given in respect of the Shares concerned.
- 6.4 If such information or evidence requested under Article 6.2 discloses to the satisfaction of the Board in their absolute discretion that circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Board may in their absolute discretion by notice in writing to the Member(s) concerned require that a Transfer Notice be given in respect of the Shares concerned.
- 6.5 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance.
- 6.6 Regulations 30 and 31 shall be modified to reflect the provisions of this Article 6 and Articles 7 (*Permitted Transfers*) to 11 (*Prohibited Transfers*) (inclusive).

7 PERMITTED TRANSFERS

7.1 The following transfers of Shares may be made without restriction as to price or otherwise and without any requirement to offer such shares pursuant to the provisions of Article 8 namely transfers

- (a) by any Member being a company to any holding company of such company or any direct or indirect subsidiary of any such holding company;
- (b) by any nominee or trustee to any other nominee or trustee of the same beneficiary,
- (c) by any Member who is an individual, to any Privileged Relation or to the trustee or trustees of a Family Settlement or to any Family Settlement Company (and such trustees or Privileged Relations or Family Settlement Companies may transfer shares to each other but not otherwise) provided that in the event of such Member ceasing to be employed or otherwise engaged by the Company or any subsidiary on circumstances in which, if he were still a Member, he could be obliged to transfer any of such shares pursuant to Article 9, Article 9 shall apply to any such Shares then held by such Privileged Relation, trustees of the Family Settlement or Family Settlement Company as if the shares were held by such Member by whom the Shares were transferred,
- (d) by any Member with the prior written consent of all of the Members;
- (e) by either Founder to the other pursuant to and in accordance with the terms of the cross option agreement entered into by the Founders on or around the date of adoption of these Articles.

7.2 If any person to whom Shares are transferred pursuant to sub-paragraphs (a) to (c) above ceases to be within the required relationship with the original transferor of such Shares, such Shares shall be transferred back to the original transferor (or to any other person falling within the required relationship with the original transferor) forthwith upon such relationship ceasing and, if the holder of such Shares fails to make such transfer, the holder shall be deemed to have served a separate Transfer Notice in respect of all of such Shares then held by him and the provisions of Article 8 shall apply.

8 PRE-EMPTIVE TRANSFERS

8.1 Save as provided by Article 7, no Member or person entitled by transmission shall transfer or dispose of or agree to transfer or dispose of or grant any interest or right in any Share to any person (hereinafter a "transferee") without first offering the same for transfer to the holder or holders for the time being of the Ordinary Shares (other than the proposing transferor and other than any holder of Ordinary Shares who has served a Transfer Notice or a deemed Transfer Notice). Such offer shall be in respect of the whole, but not less than the whole, of the shares held by the proposing transferor, and shall be made by the proposing transferor by the giving in writing to the Company of a notice (a "Transfer Notice")

8.2 Each Transfer Notice shall specify the number and class of shares offered (hereinafter called the "Sale Shares") and (unless the Transfer Notice is deemed given as provided by these Articles) and the identity(ies) of the proposed transferee(s) (if any) and it shall constitute the Directors as the agent of the proposing transferor for the sale of the Sale Shares to the other Ordinary Shareholders(s) (other than the proposing transferor).

- 8.3 The price at which any Sale Shares shall be offered (the "Sale Price") shall be such price as shall be agreed between the Directors and the Members and failing such agreement within 10 days of receipt by the Company of the Transfer Notice shall be the Fair Value.
- 8.4 Upon receipt or deemed receipt by the Company of the Transfer Notice and following determination of the Sale Price in accordance with Article 8.3 the Directors shall forthwith give written notice to the Ordinary Shareholder(s) (other than the proposing transferor) of the number and description of the Sale Shares and the Sale Price and (unless the Transfer Notice is deemed given as provided by these Articles) the identity(ies) of the proposed transferee(s) (if any) inviting each of such holder(s) to state by notice in writing to the Company within 60 days whether he is willing to purchase any and, if so, what maximum number of the Sale Shares ("Maximum") he is willing to purchase, and shall also forthwith give a copy of such notice to the proposing transferor. A person who, pursuant to such a notice, expresses a willingness to purchase any Sale Shares is referred to below as a "Purchaser".
- 8.5 Within 30 days of the expiration of the said period of 60 days the Directors shall, allocate the Sale Shares to or amongst the Purchasers.
- 8.6 Each allocation among the relevant persons identified in Article 8.4 shall in the case of competition be made pro-rata (as nearly as may be in the sole discretion of the Directors) to the number of shares of that class held by them but individual allocations shall not exceed the Maximum which the relevant person shall have expressed a willingness to purchase.
- 8.7 Forthwith upon such allocation being made, the Purchaser or Purchasers to or amongst whom such allocation has been made shall be bound to pay to the Company (as agent for the proposing transferor) the Sale Price for, and to accept a transfer of, the Sale Shares so allocated to them respectively and the proposing transferor shall be bound forthwith upon payment of the Sale Price as aforesaid to deliver to the Company (as agent for the Purchaser(s)) such documents as are required to transfer such shares to the respective Purchaser(s).
- 8.8 If in any case the proposing transferor, after having become bound to transfer Sale Shares as aforesaid, makes default in so doing the Company may receive the Sale Price and the Directors may appoint some person to execute instruments of transfer of such Sale Shares in favour of the Purchasers and shall thereupon, subject to such transfers being properly stamped, cause the name of each of the Purchasers to be entered in the Register of Members as the holder of those Sale Shares allocated to him as aforesaid and shall hold the Sale Price in trust for the proposing transferor. The issue of a receipt by the Company therefor shall be a good discharge to the Purchasers and after their names shall have been entered in the Register of Members in exercise of the aforesaid power the validity of the transactions shall not be questioned by any person.
- 8.9 If, at the expiration of the period of 30 days referred to in Article 8.4 above, any of the Sale Shares have not been allocated in accordance with the provisions of this Article, the proposing transferor may at any time within a period of 60 days after the expiration of the said period of 30 days referred to in Article 8.4 above transfer such unallocated Sale Shares to the proposed transferee(s) (if any) specified in the Transfer Notice, or to any other person at any price not being less than the Sale Price provided that proposing transferor has the prior written consent of each of the Member(s) (other than the Transferor).
- 8.10 The restrictions on transfer contained in this Article shall apply to all transfers and transmissions by operation of law or otherwise of Ordinary Shares.

9 **COMPULSORY TRANSFERS**

- 9.1 A Leaver shall (if he has not already done so) be deemed from the date of cessation of employment or other form of engagement with the Company to have served a Transfer Notice in respect of all of the Shares (if any) held by him
- 9.2 Where the provisions of Article 9.1 apply in relation to a Member, a Transfer Notice will also be deemed to have been given by:
- (a) the Member in question; and
 - (b) any person having previously received Shares from the Member in question pursuant to a permitted transfer under Article 7
- 9.3 In the event that a Leaver acquires any Shares in the Company after becoming a Leaver (whether upon the exercise of options granted to such Leaver over Shares or otherwise), the provisions of this Article 9 shall apply to such Leaver *mutatis mutandis* as if such Leaver was a holder of such Shares at the time of becoming a Leaver provided that references to the date of cessation of employment or other form of engagement with the Company shall be for these purposes references to the date of acquisition of such Shares and upon such date, in accordance with Article 9.1 or 9.2 as the case may be, the Leaver shall be deemed to have served a separate Transfer Notice.
- 9.4 On the deemed service of a Transfer Notice pursuant to this Article 9, the provisions of Article 8 shall apply
- 9.5 In the event that a Transfer Notice is served in accordance with Article 9.1 the relevant Leaver will be deemed to have surrendered all Share Options (if any) granted in his favour at the time the Transfer Notice is served.
- 9.6 In the event that a Transfer Notice is served in accordance with Article 9.1 and the Leaver and other shareholder(s) are party to any cross option agreement relating to the transfer of Shares as a result of the death of the parties to such agreement, the terms of such agreement shall take precedence over these Articles.

10 **FAIR VALUE**

"Fair Value" means the price per share as at the date of occurrence of the event which triggered the requirement to determine Fair Value as at such date certified in writing by the Valuer as being in their opinion the fair value of the Shares as between a willing seller and a willing buyer (with no discount to reflect the unquoted status of the shares) provided that Valuer, in determining the fair value of any of such Shares shall:

- (a) determine the sum which a willing buyer would offer to a willing seller for the whole of the issued share capital of the Company, and
- (b) divide the resultant figure by the number of issued shares and outstanding options or rights to acquire Shares assuming exercise in full;

but so that there shall be no addition or subtraction of any premium or discount arising in relation to the size of the holding the subject of the relevant transfer, or in relation to any restrictions on the transferability of the Shares arising only out of the provisions of these Articles.

11 PROHIBITED TRANSFERS

Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

12 PROCEEDINGS AT GENERAL MEETINGS

- 12.1 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall not be entitled to a casting vote in addition to any other vote he may have.
- 12.2 A director shall not be required to hold any share qualification, but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of Shares in the capital of the Company
- 12.3 If a meeting is adjourned under Regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present shall form a quorum, and Regulation 41 shall be modified accordingly.
- 12.4 Regulation 62 shall be modified by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or by facsimile transmission to" and by the insertion at the end of the regulation after the word "invalid" of the words "unless a majority of the Board resolve otherwise"
- 12.5 A resolution in writing which has been signed by or on behalf of all of the members who would have been entitled to vote upon it if it had been proposed at a general meeting at which they were present (which signature may be evidenced by letter, telex, cable, electronic mail, facsimile or otherwise as the Directors may from time to time resolve to permit) shall be as effective as a resolution passed at a meeting of members duly convened and held and may consist of several documents in the same terms each signed by or on behalf of one or more members.
- 12.6 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.

13 NUMBER OF DIRECTORS

The number of directors shall not be less than one and there shall be no maximum number. Regulation 64 shall not apply. In the event of their being a sole Directors these Articles shall be construed accordingly

14 PROCEEDINGS OF DIRECTORS

- 14.1 The quorum for the transaction of business of the Board shall be two Directors.
- 14.2 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is

- 14.3 The chairman of the Board shall not have a second or casting vote at a meeting of the Board.
- 14.4 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Board or of any committee of the Board in accordance with that section
- 14.5 A Director may as a Director vote and be counted as one of a quorum upon a motion in respect of any contract, matter or arrangement which he shall make with the Company or in which he shall be in any way interested provided that he shall first have disclosed the nature of his interest to the Directors
- 15 **RETIREMENT OF DIRECTORS**
- 15.1 Directors shall not be required to retire by rotation. Regulations 73 to 77, the second and third sentences of regulation 79, regulation 80 and the last sentence of Regulation 84 shall not apply.
- 15.2 The office of a director shall be vacated if (being an executive director of the Company) he ceases to hold office as an employee of the Company or to be otherwise engaged in the Company, for example, but without limitation, as a consultant, and a majority of the Board so requires and Regulation 81 shall be extended accordingly.
- 15.3 Regulation 81 shall be modified by deleting paragraph (e) thereof and inserting in its place the following. "(e) he is removed from office by notice in writing signed or authorised by all the other directors and duly served upon him".
- 16 **APPOINTMENT OF DIRECTORS**
- 16.1 Each Founder shall be entitled by notice in writing to the Company to appoint one Director and by like notice to remove such Director 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 a Director so removed whilst the Founder remains the registered holder of any Shares. The rights of the Founders under this Article 18.3 are personal to the Founders and are not capable of assignment or transfer, whether or not assigned or transferred as part of any transfer of Shares
- 16.2 Any Director appointed pursuant to this Article shall be at liberty from time to time to make such disclosure to his appointor(s) as to the business and affairs of the Company and its subsidiaries as he shall in his absolute discretion determine.
- 16.3 Directors shall not be required to retire by rotation. Regulations 73 to 77, the second and third sentences of regulation 79, regulation 80 and the last sentence of Regulation 84 shall not apply
- 16.4 The office of a director shall be vacated if (being an executive director of the Company) he ceases to hold office as an employee of the Company or to be otherwise engaged in the Company, for example, but without limitation, as a consultant, and a majority of the Board so requires and Regulation 81 shall be extended accordingly
- 17 **NOTICES**
- 17.1 Any notice to be given to the Company pursuant to these Articles shall be sent by post to the registered office of the Company or presented at a meeting of the Board

17.2 Any notice to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the addressee. Such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender.

17.3 The figure "24" shall be inserted in substitution for the figure "48" in the third sentence of Regulation 115. Any notice or other document delivered or left at a registered address otherwise than by post or electronic communication shall be deemed to have been served or delivered on the day it was so delivered or left.

18 INDEMNITY

18.1 Subject to the provisions of the Act, but without prejudice to any other indemnity to which the person concerned may otherwise be entitled, every director, alternate director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation thereto. Regulation 118 shall be extended accordingly.

18.2 The Directors may exercise all the powers of the Company to purchase and maintain for every director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against

19 SHARE CERTIFICATES ETC

The Company may execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two Directors or any one Director and the Company Secretary. Regulation 6 of Table A shall be extended accordingly