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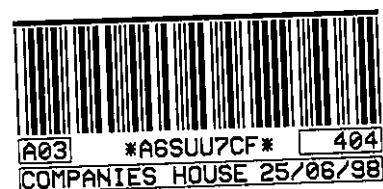
THE COMPANIES ACTS 1985 to 1989
PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM
AND
ARTICLES OF ASSOCIATION
of
CAMBRIDGE NETWORK LIMITED
(Incorporated on 8 July 1997)

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Ref: GF/TB



THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

CAMBRIDGE NETWORK LIMITED *

1. The name of the Company is CAMBRIDGE NETWORK LIMITED*.
2. The registered office of the Company will be situated in England and Wales.
3. The object of the Company is to carry on business as a general commercial company.
4. Without restricting in any way the scope of the objects and powers of the Company derived from section 3A of the Companies Act 1985, the Company has the following objects:-

**4.1A To create and support a community of like minded people from business and academia in the Cambridge region and link this community to the global high tech network.

4.1B To carry on all or any of the businesses of general merchants and traders, cash and credit traders, manufacturers' agents and representatives, insurance brokers and consultants, estate and advertising agents, mortgage brokers, financial agents, advisers, managers and administrators, hire purchase and general financiers, brokers and agents, commission agents, importers and exporters, manufacturers, retailers, wholesalers, buyers, sellers, distributors and shippers of and dealers in all products, goods, wares, merchandise and produce of every description; to participate in, undertake, perform and carry on all kinds of commercial, industrial, trading and financial operations and enterprises; and to carry on all or any of the business of marketing and business consultants, advertising agents and contractors, general storekeepers, warehousemen, discount traders, mail order specialists, railway, shipping and forwarding agents, shippers, traders, capitalists and financiers, either on the Company's own account or otherwise, printers and publishers, haulage and transport contractors, garage proprietors, operators, hirers and letters on hire of and dealers in motor and other vehicles, craft, plant, machinery, tools and equipment of all kinds.

* Changed from GAC No. 91 Limited by special resolution dated 21 January 1998.

** Adopted by written resolution dated 12 June 1998

- 4.2 To carry on any other business or activity of any nature whatever which may seem to the Directors to be capable of being conveniently or advantageously carried on in connection or conjunction with any business of the Company, whenever authorised, or to be expedient with a view directly or indirectly to enhancing the value of or to rendering profitable or more profitable any of the Company's assets or utilising its skill, know-how or expertise.
- 4.3 To purchase or by any other means acquire, for any estate or interest, any property or assets of any kind and any rights or privileges of any kind over or in respect of any property of any kind or any interest in or over any such property, assets, rights or privileges, and to hold, develop and turn to account and deal with the same in such manner as may be thought fit; and to make experiments and tests and to carry on all kinds of research work.
- 4.4 To acquire or undertake the whole or any part of the business, goodwill, property, assets and liabilities of any person, firm, company or body carrying on or proposing to carry on any business which the Company is authorised to carry on or having any property of any kind suitable for the Company's purposes.
- 4.5 To acquire an interest in, amalgamate with, or enter into partnership or any arrangement for sharing profits or losses or for co-operation or for mutual assistance with, any person, firm, company or body or for subsidising or otherwise assisting any such person, firm, company or body; or to promote, or participate or assist in the promotion of, any company whether or not having objects similar to those of the Company.
- 4.6 To improve, manage, construct, repair, develop, exchange, alter, replace, remove, equip, maintain, administer, let on lease or otherwise mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with, all or any buildings, premises, structures, or facilities of any kind, whether for the Company's purposes or for sale, letting or hire to, or in return for any consideration from, any person, firm, company or body; and to contribute to or assist in or carry out any part of any such operation.
- 4.7 To sell, lease, grant any rights of any kind over, and in any other way deal with or dispose of, any or all of the undertaking, property, assets or other rights of any kind of the Company for such consideration as may be thought fit.
- 4.8 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be thought fit.
- 4.9 To draw, make, accept, endorse, discount, negotiate, execute and issue, and to buy and sell and deal with, cheques, bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments or securities; and to buy and sell foreign exchange.
- 4.10 To subscribe for, take, underwrite, purchase or otherwise acquire, and to hold, sell, dispose of, and deal with, any shares, stocks, debentures,

debenture stocks, bonds, obligations or other securities or investments of any kind and any interests in the same or rights in respect of the same.

- 4.11 To lend, advance or deposit money or give credit, on such terms as may seem expedient and with or without security, to or with any person, firm, company or body.
- 4.12 To borrow and raise money in any manner and to secure or discharge any debt or other obligation or liability of or binding upon the Company in such manner as may be thought fit, including by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's undertaking, property or assets (whether present or future) and uncalled capital or by the creation and issue of securities of any kind.
- 4.13 To guarantee or give indemnities or provide security by any method (including by mortgage or charge upon the whole or any part of the undertaking, property and assets (whether present or future) and uncalled capital of the Company) for the performance of any contracts or obligations, and the payment of any capital or principal (together with any premium) or dividends or interest on any securities, of any person, firm, company or other body (including any company which is for the time being a holding company of the Company or another subsidiary of any such holding company or is associated with the Company in business).
- 4.14 To issue any securities which the Company has power to issue for any other purpose, by way of security or indemnity or in satisfaction of any liability undertaken or agreed to be undertaken by the Company.
- 4.15 To apply for, promote and obtain any statute, law, order or other licence of or from any authority for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem calculated directly or indirectly to promote or further the Company's interests; and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- 4.16 To enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable; and to carry out, exercise and comply with any such charters, decrees, rights, privileges and concessions.
- 4.17 To control, manage, finance, subsidise, co-ordinate or otherwise assist in any way any person, firm, company or body in which the Company has a direct or indirect financial interest; to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such person, firm, company or body and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with

respect to any business or operations of, or generally with respect to, any such person, firm, company or body.

- 4.18 To procure the Company to be registered or otherwise recognised in, or under the laws of, any territory outside England.
- 4.19 To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company or to contract with any person, firm, company or body to pay the same and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of, any shares or other securities of the Company.
- 4.20 To establish, subscribe to and support any charitable, benevolent, national, public or useful object or any institution, association, society, fund or club or any other object or purpose which may be for the benefit, or be considered likely, directly or indirectly, to further the interests, of the Company or that of any company which is the holding company or the Company or a subsidiary of the Company or of any such holding company or that of any of their respective Directors or employees (whether present or former) or members or which may be connected with any town or place where the Company carries on business.
- 4.21 To establish and maintain or contribute to any pension or superannuation funds for the benefit of, and to give or procure the giving of any emoluments, pensions, annuities, gratuities, donations or other allowances or benefits or charitable aid to, and generally to provide advantages, facilities and services (including establishing and supporting any institutions, associations, clubs or funds) for, any persons who are or have been Directors of or who are or have been employed by or who are serving or have served the Company or any company which is the holding company of the Company or a subsidiary of the Company or of any such holding company or is allied to or associated with the Company or any of the predecessors in business of the Company or of any such other company and the spouses, widows, widowers, children and other relatives and dependents of such persons; to make payments for and towards the insurance of any such persons; and to set up establish, support and maintain profit sharing schemes for the benefit of any of the employees of the Company or of any such holding or subsidiary or associated company.
- 4.22 To establish and maintain, and to contribute to, any scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of its employees or former employees or those of any company which is the Company's holding company or a subsidiary of the Company or of any such holding company or by or for the benefit of such other persons as may for the time being be permitted by law; and, to the extent permitted by law, to lend money to employees of the Company or of any such other company or of any other company which is allied to or associated with the Company with a view to enabling them to acquire shares in the Company or its holding company.
- 4.23 To purchase and maintain insurance for or for the benefit of any persons:-

4.23.1 who are or were at any time directors, officers, employees or auditors of:-

- (a) the Company; or
- (b) of any other company (i) which is the Company's holding company or (ii) in which the Company or such holding company or any of the predecessors of the Company or such holding company has any interest (whether direct or indirect) or (iii) which is in any way allied to or associated with the Company ("such other company"); or
- (c) of any subsidiary undertaking (as defined in the Companies Act 1985, as amended by the Companies Act 1989) of the Company or such other company; or

4.23.2 who are or were at any time trustees of any pension fund in which any employees of the Company or such other company or subsidiary undertaking are interested;

including (without limitation) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution of their duties or powers;

and, to the extent permitted by law, otherwise to indemnify or exempt any such person against or from any such liability.

- 4.24 To distribute among the members of the Company in kind or in specie or otherwise in any way or by any means permitted by law, all or any property or assets of the Company of whatever nature (including any proceeds from any disposal of any such property or assets).
- 4.25 To do all or any of the things or matters set out above in any part of the world and either as principals, agents, contractors, trustees or otherwise and by or through agents, brokers, sub-contractors, trustees or otherwise and either alone or in conjunction with others.
- 4.26 To do all such other things as may be considered to be incidental or conducive to any of the above objects.

And it is hereby declared that the Company's objects, as set out in the preceding paragraphs of this Clause, shall, except in so far as expressly required by any such paragraph, be separate and distinct objects of the Company and shall not be in any way limited by reference to any other paragraph or the order in which such objects occur or the name of the Company.

- 5. The liability of the members is limited.
- 6. The Company's share capital is £100 divided into 10,000 shares of 1 penny each.*

I, the subscriber to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum and I agree to take the number of shares shown opposite my name.

Name and address of subscriber	Number of shares taken by the subscriber
Abbey Directors Limited Abbot's House Abbey Street Reading Berkshire RG1 3BD	One

Total shares taken: one.

A P Fishleigh

for and on behalf of
Abbey Directors Limited

Dated 1 July 1997

Witness to the above signature:-

K Massey

Kathy Massey
Secretary
c/o Abbot's House
Reading

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CAMBRIDGE NETWORK LIMITED

Adopted pursuant to a written resolution of the Company
dated 12 June 1998

PRELIMINARY

- 1 The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended so as to affect companies first registered on the date of adoption of these Articles) shall, except as provided in these Articles and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or Articles of Association. References in these Articles to regulations are to regulations in Table A, unless otherwise stated.

INTERPRETATION

- 2 In these Articles, the following terms shall have the following meanings:

"Cambridge Network Council" shall mean the council of individuals, companies or other organisations who have entered into a "Founder Member's Agreement" with the Company giving them certain rights and privileges as set out in that agreement, including, without limitation the right to appoint up to four directors of the Company in accordance with these Articles of Association;

"Directors" means the Board of Directors of the Company acting by a resolution of the majority of the Directors from time to time (but shall not include a Director appointed by a Proposing Transferor or a Defaulting Member (as those terms are defined in Article 5.1));

"General Members" shall mean individuals, companies or other organisations which have entered into a "General Membership Agreement" with the Company giving them certain rights and privileges as set out in that agreement including, without limitation, the right as a group to appoint a director of the Company in accordance with these Articles.

SHARE CAPITAL

- 3.1 The share capital of the Company on incorporation is £100 divided into 10,000 shares of 1 penny each.
- 3.2 Subject to section 80 of the Companies Act 1985, the Directors may allot, grant options over or otherwise deal with or dispose of all unissued shares of the Company to such persons, at such times and on such terms as they shall think proper. Section 89 (1) of the Companies Act 1985 shall not apply.

LIEN

4. The Company shall have a first and paramount lien on every share (whether fully paid or not) standing registered in the name of any person indebted or under liability to the Company for all moneys presently payable by him or his estate to the Company, whether he is the sole registered holder or is one of two or more joint holders, and also for all moneys (whether then payable or not) payable at a fixed time or called in respect of such share. Regulation 8 shall be modified accordingly.

TRANSFER OF SHARES

- 5.1 In this Article 5 and Articles 6 and 7, unless the context otherwise requires, the following words shall bear the following meanings:-
- 5.1.1 **"Defaulting Member"** shall mean a Member who becomes a Defaulting Lender under the Loan Agreement;
- 5.1.2 **"Loan Agreement"** means the Agreement dated 8 April 1998 made between:
- (1) Analysys Limited and Others; and
- (2) the Company;
- 5.1.3 **"Member"** shall mean a holder of Shares;
- 5.1.4 **"Prescribed Price"** shall mean the price per Share specified in the Transfer Notice or (if no price shall be specified or if the Directors shall so determine) the price per Share certified by the Valuer pursuant to Article 5.4 hereof;
- 5.1.5 **"Proposing Transferor"** shall mean a Member proposing to transfer Shares or any interest therein;
- 5.1.6 **"Purchaser"** shall mean a person nominated by the Cambridge Network Council as the transferee of the Shares;
- 5.1.7 **"Share"** shall mean a Share in the capital of the Company;

- 5.1.8 "Transfer Notice" shall mean a written notice served by a Member indicating his desire to transfer his Shares or any interest therein; and
- 5.1.9 "Valuer" means a firm of chartered accountants appointed from time to time by the Directors for the purpose of determining the Prescribed Price.
- 5.2 The right to transfer Shares or any interest therein shall be subject to the restrictions contained in this Article 5 and those contained in Articles 6 and 7.
- 5.3 Before transferring Shares (or any interest therein) the Proposing Transferor shall serve a Transfer Notice on the Company and the Transfer Notice shall constitute the Company his agent for the sale of the Shares therein mentioned at the Prescribed Price to a Purchaser. Except as hereinafter provided, a Transfer Notice once given or deemed to be given shall not be revocable except with the consent of the Directors. A Transfer Notice may only be served in respect of the whole of the holding of Shares of a Proposing Transferor and not in respect of part of that holding.
- 5.4 Forthwith upon receipt of any Transfer Notice which does not specify any price per Share or if the Directors so determine, the Company shall request the Valuer (acting as an expert and not as an arbitrator) to certify the Prescribed Price, the cost of such valuation being borne equally by the Company and the Proposing Transferor PROVIDED THAT if the Directors determine that the Valuer be requested to certify the Prescribed Price the Proposing Transfer shall be entitled to withdraw the Transfer Notice.

Unless the Transfer Notice is withdrawn, the Valuer as soon as reasonably practicable after such a request by the Company, shall certify to the Company the Prescribed Price, that is to say the fair value of the Shares the subject of the relevant Transfer Notice, calculated on the following basis:-

- 5.4.1 by determining the sum which a willing purchaser would offer on an arm's length basis to a willing vendor for the whole of the issued share capital of the Company; and
- 5.4.2 by dividing such sum between the number of Shares in the capital of the Company in issue,

so that in the case of the valuation of a Share 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 Transfer Notice or in relation to any restriction on the transferability of the Share. The Directors shall forthwith notify the Proposing Transferor of the Prescribed Price determined by the Valuer and the Proposing Transferor shall, if dissatisfied with that Prescribed Price, be entitled to withdraw the Transfer Notice within seven days of such notification.

- 5.5 Within 14 days following receipt of the Transfer Notice or (in a case falling within Article 5.4) the expiry of the period of withdrawal of the Transfer

Notice, the Company shall notify the Cambridge Network Council in writing and request them to nominate a Purchaser for the Shares. Such notice shall limit a time ("the Nomination Period") (not being less than 28 days or more than 90 days) within which the Cambridge Network Council must nominate a Purchaser.

- 5.6 If the Cambridge Network Council shall within the Nomination Period nominate a Purchaser willing to purchase the Shares concerned the Company shall on being so informed by the Cambridge Network Council and subject to the Purchaser being approved by the Directors (which approval shall not be unreasonably withheld or delayed) give notice in writing thereof to the Proposing Transferor and he shall be bound upon payment of the Prescribed Price to transfer such Shares to the Purchaser. Such notice shall state the name and address of the Purchaser and the purchase shall be completed at a place and time to be appointed by the Directors, not being less than 14 days nor more than 28 days after the date of such notice.
- 5.7 If the Cambridge Network Council shall not within the Nomination Period find a Purchaser willing to purchase the Shares comprised in the Transfer Notice or if such Purchaser is not approved by the Directors (which approval shall not be unreasonably withheld or delayed) then:
 - 5.7.1 each Member shall use such rights as they may have as members to procure that, subject to the Company not becoming a subsidiary of any company and subject to compliance with the Act and so long as such purchase is not made out of capital, the Company takes all steps necessary to secure within 60 days of the end of the Nomination Period the purchase by the Company of the Shares the subject of the relevant Transfer Notice at the Prescribed Price; and
 - 5.7.2 if the purchase of the relevant Shares is not completed within the 60 day period referred to in clause 5.7.1 then those Shares shall be offered to the Members (other than the Proposing Transferor) in accordance with the provisions of Article 5.8 at the Prescribed Price.
- 5.8 An offer under the Article 5.8 shall be made within 14 days of the expiry of the 60 day period referred to in Article 5.7.2 by written notice to all the members specifying the number of Shares the subject of the Transfer Notice. The Members may then within a further 28 day period apply for all of the said Shares. The Company shall allocate the said Shares (or so many of them as are applied for) amongst the applicants pro rata according to the number of Shares of which they are registered as holders provided that no applicant shall be obliged to take more than the maximum number of Shares specified by him. The Company shall then notify the Proposing Transferor and the persons to whom the Shares have been allocated of the allocations and shall specify in that notice the place and time (being between 14 and 28 days from the date of the notice) when and where the sale of the Shares so allocated shall be completed.
- 5.9 If the Company shall not within 14 days of the of the expiry of the 28 day period from the written notice offering Shares referred to in Article 5.8 have

found Members willing to purchase all the Shares the subject of a Transfer Notice then the Proposing Transferor shall at any time within three (3) months after the Directors have so confirmed that position to him in writing be at liberty to transfer his Shares to any person not being a Member on a bona fide sale at any price not being less than the Prescribed Price subject to that person being approved by the Directors (which approval shall not be unreasonably withheld or delayed). If that person is not approved by the Directors then the Transfer Notice shall be deemed to have lapsed with the effect that that Member shall cease to be a Proposing Transferor as defined in Article 5.1. The Directors may require to be satisfied that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the instrument of transfer without any deduction, rebate or allowance whatsoever.

6. Compulsory Transfers

- 6.1 A person entitled to Shares in consequence of the receivership or liquidation or other formal insolvency of a Member, shall be bound at any time if and when called upon in writing by the Directors so to do to give a Transfer Notice (without specifying a price per share) in respect of all the Shares then registered in the name of that Member.
- 6.2 A Member who becomes a Defaulting Member shall give, or shall be deemed to have given, a Transfer Notice indicating that he desires to transfer his Shares for a consideration equal to their par value

7. General Provisions for Transfer Procedure

- 7.1 If in any case a Proposing Transferor or Defaulting Member or a person who after having become bound to transfer any Shares to a purchaser shall make default in transferring such Shares the Directors may authorise some person to execute on behalf of, and as attorney for, the Proposing Transferor or Defaulting Member or such person any necessary instruments of transfer and may receive the purchase money and shall thereupon cause the name of the purchaser to be entered in the Register of Members as the holder of such Shares and shall hold the purchase money in trust for the Proposing Transferor or Defaulting Member or such person. The receipt of the Company for the purchase money shall be a good discharge to the purchaser who shall not be bound to see to the application thereof and after the name of the purchaser has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any other person.
- 7.2 For the purpose of ensuring that a transfer of Shares is duly authorised under Article 5 or 6 or that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder, the Directors may from time to time require any Member or past Member or the receiver or liquidator or similar officer of any Member or any person named as transferee in any instrument of transfer lodged for registration to furnish the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within

a reasonable time after request, the Directors shall be entitled to refuse to register the transfer in question or to require by notice in writing that a Transfer Notice be given in respect of the Shares concerned. If such information or evidence discloses that in the opinion of the Directors a Transfer Notice ought to have been given in respect of any Share, the Directors may by notice in writing require that a Transfer Notice be given in respect of the Shares concerned.

- 7.3 In any case where under the provisions of these Articles the Directors may require a Transfer Notice to be given, if a Transfer Notice is not duly given within a period of 2 weeks of demand being made or such longer period as the Directors may allow for the purpose, a Transfer Notice shall except and to the extent that an instrument of transfer of a Share in favour of a person to whom they may be transferred pursuant to Article 5 or 6 shall have been lodged prior to the expiration of the said period be deemed to have been given at the expiration of the said period. In any such case as aforesaid the provisions of these Articles shall take effect but so that any right of revocation conferred by Article 5 shall not apply.
- 7.4 Any notice required to be given under Articles 5, 6 or 7 by the Company to a Member or by a Member to the Company or otherwise shall be given or served either personally or by sending it by first class post to the registered office of the Company or to the registered address of the Member (as the case may be) or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice. When a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected at the expiration of 24 hours after the letter containing the same is posted.
- 7.5 With the consent in writing of all Members for the time being the restrictions imposed by Article 5 or 6 may be waived or varied in relation to any proposed transfer of a Share.

GENERAL MEETINGS

8. A written resolution to be given by a corporation which is a member of the Company may be signed, on its behalf, by a director or the secretary of that corporation or by the attorney or authorised representative of that corporation. Regulation 53 shall be extended accordingly. Regulation 53 (as extended by this Article 8) shall also apply (with appropriate modifications) to the written resolutions of any class of members of the Company.
9. A form of proxy (together with the original or a certified copy of any letter or power of attorney, if the form of proxy has been signed by an attorney) must:-
- 9.1 for the general meeting or adjourned meeting at which it is to be used, be delivered:-

- 9.1.1 either to the place specified in (or in a note to) the notice convening the meeting for the delivery of forms of proxy, at least one hour before the time fixed for the start of that meeting; or
- 9.1.2 to the Secretary of the Company or the chairman of the meeting at the place where the meeting is to be held, on the day of, and before the time fixed for the start of, the meeting; and
- 9.2 in the case of a poll which is not to be taken at or on the same day as the general meeting or adjourned meeting at which the relevant resolution has been proposed, be delivered:-
 - 9.2.1 either to the place specified in (or in a note to) the notice convening the meeting for the delivery of forms of proxy, at least one hour before the time fixed for taking the poll; or
 - 9.2.2 to the Secretary of the Company or the chairman of the meeting at the place where the poll is to be taken, on the day, and before the time, fixed for taking the poll.

If no place is specified in (or in a note to) the notice convening the meeting for the delivery of forms of proxy, then such forms may be delivered instead to the Company's registered office. A form of proxy will be valid for any adjournment of a meeting in addition to the meeting to which it relates, unless it is stated on the relevant form that the form of proxy cannot be used at any such adjournment. If a form of proxy relates to more than one meeting (including any adjournment of any such meeting) and has been delivered as required by this Article 9 for or in respect of one of those meetings, it will be valid for all subsequent meetings to which it relates and need not be re-delivered. Regulation 62 shall not apply.

- 10. No Share shall confer any right to vote upon a resolution for the removal from office of a Director appointed or deemed to have been appointed by the holder of any other Share.

NUMBER OF DIRECTORS

- 11. The minimum number of Directors shall be one. Regulation 64 shall be modified accordingly.

ALTERNATE DIRECTORS

- 12.1 An alternate director shall (unless he is not in the United Kingdom at the relevant time) be entitled to receive notices of meetings of the Directors and, if the Director who appointed him is a member of any committee of Directors, of that committee. Such alternate director shall also be entitled to attend and vote as a Director at, and to be counted as part of the quorum for, any such meeting at which the Director who appointed him is not present, and generally at any such meeting to perform, as a Director, all functions of the Director who appointed him. In relation to the proceedings at any such

meeting which an alternate director attends, the provisions of these Articles shall apply as if that alternate director were a Director.

- 12.2 If an alternate director is also himself a Director or attends any meeting as an alternate for more than one Director, his voting rights shall be cumulative but he will only be counted once for any quorum requirements.
- 12.3 If any Director who has appointed an alternate director is for the time being absent from the United Kingdom or temporarily unable to act because of ill health or disability, then that alternate director may sign, in his place, any written resolution of the Directors.
- 12.4 An alternate director will not, except as set out in the preceding paragraphs of this Article 12, have power to act as a Director; nor will such alternate director be deemed to be a Director under these Articles or the agent of the Director who appointed him.
- 12.5 Regulations 66 and 69 shall not apply.
- 12.6 An alternate director shall be entitled to contract, to be interested in and to benefit from any contracts, arrangements or transactions, to be repaid expenses and to be indemnified to the same extent as if he were a Director. Such alternate director shall not be entitled to receive any remuneration from the Company for acting as an alternate director unless the Director who appointed him instructs the Company in writing to pay part of the remuneration payable by the Company to that Director to the alternate director instead.
- 12.7 An alternate director must be a person who is approved by the Directors (such approval not to be unreasonably withheld or delayed).

DELEGATION OF DIRECTORS' POWERS

- 13.1 The Directors may, in addition to the powers contained in Regulation 72, delegate any of their powers or discretions (including any power or discretion the exercise of which involves or may involve the payment of remuneration to, or the conferring of any other benefit upon, all or any of the Directors) to committees comprising one or more Directors and, if desired, one or more other named persons who have been co-opted onto such committee in accordance with the provisions of this Article 13.
- 13.2 If any power or discretion has been delegated to a committee under Article 13.1, any reference in these Articles to the exercise by the Directors of that power or discretion shall be interpreted accordingly, as if it was a reference to the exercise of the same by that committee.
- 13.3 Any committee appointed under Article 13.1 shall, when exercising any powers or discretions delegated to it, abide by any regulations imposed by the Directors which may then subsist. Any such regulations may provide for or permit the co-option to the committee of persons other than Directors and for such persons to have voting rights as members of that committee; but

Directors must form a majority of the members of such committee and no resolution of the committee will be valid unless it has been approved by a majority of the votes cast on that resolution and that majority included at least one Director.

- 13.4 Regulation 72 shall be modified accordingly.

APPOINTMENT AND REMOVAL OF DIRECTORS

- 14.1 Each member shall be entitled from time to time to appoint one person to be a Director. The members shall also appoint the following further directors:-

14.1.1 up to four persons from time to time nominated in writing by the Cambridge Network Council; and

14.1.2 one person from time to time nominated in writing by the General Members

Provided that

- (a) the nomination of such persons must be confirmed annually by the Cambridge Network Council or by the General Members, as the case may be, in April of each year ; and
 - (b) the appointment of such persons must be approved by the Directors (such approval not to be unreasonably withheld or delayed).
- 14.2 The Directors shall not be subject to retirement by rotation. Regulations 73 to 80 shall not apply.
- 14.3 Any notice of appointment of a director under this Article 14 or removal under Article 15 shall be in writing, served on the Company and signed by the member entitled to appoint him or by the chairman of a meeting of the members of the Cambridge Network Council or shall be given in accordance with the rules governing the nomination of a director by the General Members. In the case of a notice given by a corporation such document may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

15. A Director shall cease to be a Director:-
- 15.1 in any of the circumstances specified in Regulation 81; or
 - 15.2 if he offers, in writing, to resign and the Directors resolve to accept his offer; or
 - 15.3 if he becomes incapable by reason of illness or injury of managing and administering his property and affairs; paragraph (c) of Regulation 81 shall be modified accordingly; or

- 15.4 if he shall be removed from that office by notice in writing from the holder of the Shares or the body which appointed him or that body shall fail to confirm his appointment as contemplated by Article 14.1; or
- 15.5 if the member who appointed him is or becomes a Defaulting Member (as defined in Article 5.1); or
- 15.6 if the member who appointed him shall cease to be a member.

REMUNERATION OF DIRECTORS

- 16. A Director who serves on any committee or who carries out any other services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director may be paid such remuneration of any kind or may receive such other benefits as the Directors may determine. Regulation 82 shall be extended accordingly.

PROCEEDINGS OF DIRECTORS

- 17. On any contract, arrangement or matter in which a Director is in any way interested, directly or indirectly, such Director may vote and may be counted in the quorum present at any meeting at which such contract, arrangement or matter is being considered. Any such Director may (unless agreed otherwise) retain for his own absolute use and benefit all profits and advantages which he may derive or receive (directly or indirectly) from or as a result of any such contract, arrangement or matter. Regulations 94 to 98 shall not apply.

INDEMNITY

- 18. Subject to the provisions of and so far as may be permitted by law, every Director, auditor, Secretary or other officer of the Company shall be indemnified by the Company out of its own funds against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Regulation 118 shall not apply.

INSURANCE

- 19.1 Without restricting or reducing in any way the scope of the provisions of Regulation 87 or Article 18, the Directors shall have the power to purchase and maintain insurance for, or for the benefit of, any persons who are or were at any time Directors, officers, employees or auditors of any Associated Company or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Associated Company are interested, (including, without limitation, insurance against any liability incurred by such persons in respect of any act or omission in the actual or

purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Associated Company, or any such pension fund or employees' share scheme).

- 19.2 In this Article 19, "Associated Company" means the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or any such holding company or any of the predecessors of the Company or of any such holding company has or had any interest (whether direct or indirect) or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of any such other body.

DISTRIBUTIONS

- 20.1 The profits of the Company, to the extent that those profits derive from the Company's activities in promoting the role and reputation of Cambridge as a centre for high technology and in creating and supporting a network of people and organisations based in and around Cambridge shall not be distributed or capitalised or otherwise applied save in those activities or as permitted by Article 5.7.
- 20.2 In the event that the Company derives profits from activities other than those described in Article 20.1 those profits are subject to the provisions of the Act and subject to the Directors being reasonably satisfied that the Company has available to it resources necessary to carry on its activities as described in Article 20.1 available for distribution to the members or capitalisation.
- 20.3 Nothing contained in this Article 20 shall in any way restrict the rights or entitlement of a member on the liquidation of the Company.