

THE COMPANIES ACTS 1985 AND 1989

---

PRIVATE COMPANY LIMITED BY SHARES

---

WRITTEN RESOLUTIONS

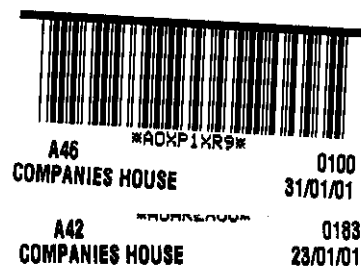
of

CAMBRIDGE DRUG DISCOVERY HOLDINGS LIMITED

WE, the undersigned, being all the members of the Company who at the date of these resolutions are entitled to attend and vote at a general meeting of the Company, hereby pass the following resolutions in accordance with section 381A of the Companies Act 1985 and the Articles of Association:-

ORDINARY RESOLUTIONS

- 1 That the authorised share capital of the Company be and is hereby increased from £248,848 to £349,607 by the creation of 95,415 'B' ordinary shares of £1 each and 5,344 ordinary shares of £1 each, such that the authorised share capital of the Company shall be £349,607 consisting of 110,258 ordinary shares of £1 each, 88,634 "A" ordinary shares of £1 each and 150,715 "B" ordinary shares of £1 each. The 'B' ordinary shares and the ordinary shares shall rank pari passu in all respects with the existing "B" ordinary shares and ordinary shares in the capital of the Company and shall have the respective rights set out in the new Articles of Association of the Company as proposed to be adopted by resolution number 5 below.
- 2 That, in substitution for all previous authorities, the directors be and are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") to exercise all powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £145,412 provided that this authority shall expire on the fifth anniversary renewed, varied or revoked by the members of the



**SPECIAL RESOLUTIONS**

- 3 That, in substitution for all previous authorities and subject to the passing of resolution 2, the directors be and are hereby generally empowered pursuant to section 95 of the Act, to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by resolution 2 as if section 89(1) of the Act did not apply to the allotment provided that this power shall expire on the fifth anniversary of the date of this resolution unless previously renewed, varied or revoked by the members of the Company.
- 4 That we hereby waive all or any pre-emption rights that we may have in relation to the allotments referred to in resolution 2.
- 5 That the articles of association annexed to this resolution be and they are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

SIGNATURE: \_\_\_\_\_

SIMON KERR

SIGNATURE: \_\_\_\_\_

IAN KENT

SIGNATURE: \_\_\_\_\_

DR STEPHEN RUSSELL

SIGNATURE: \_\_\_\_\_

DR ROGER NEWTON

SIGNATURE: \_\_\_\_\_

DR MARK BUSHFIELD

SIGNATURE: \_\_\_\_\_

DR MARK TREHERNE

SIGNATURE: \_\_\_\_\_

DR BARRY KENNY

SIGNATURE: \_\_\_\_\_

DR DAVID PARRY-SMITH

DEC.20.2000

2:50PM

DR STEPHEN J RUSSELL

NO.883

P.2

**SPECIAL RESOLUTIONS**

- 3 That, in substitution for all previous authorities and subject to the passing of resolution 2, the directors be and are hereby generally empowered pursuant to section 95 of the Act, to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by resolution 2 as if section 89(1) of the Act did not apply to the allotment provided that this power shall expire on the fifth anniversary of the date of this resolution unless previously renewed, varied or revoked by the members of the Company.
- 4 That we hereby waive all or any pre-emption rights that we may have in relation to the allotments referred to in resolution 2.
- 5 That the articles of association annexed to this resolution be and they are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

SIGNATURE: \_\_\_\_\_

SIMON KERR

SIGNATURE: \_\_\_\_\_

IAN KENT

SIGNATURE: \_\_\_\_\_

DR STEPHEN RUSSELL

SIGNATURE: \_\_\_\_\_

DR ROGER NEWTON

SIGNATURE: \_\_\_\_\_

DR MARK BUSHFIELD

SIGNATURE: \_\_\_\_\_

DR MARK TREHERNE

SIGNATURE: \_\_\_\_\_

DR BARRY KENNY

SIGNATURE: \_\_\_\_\_

DR DAVID PARRY-SMITH

18/12/00 15:59 FAX

02

SIGNATURE: G.P. Winter

GREG WINTER

SIGNATURE: \_\_\_\_\_

GERARD AND BEVERLY MCGARRITY

\_\_\_\_\_  
FOR AND ON BEHALF OF  
CAMBRIDGE UNIVERSITY  
TECHNICAL SERVICES LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY VC.V.

\_\_\_\_\_  
FOR AND ON BEHALF OF  
3i GROUP PLC

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA BERKELEY VS by SC.V

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY NORDIC  
PARTNERS KY

\_\_\_\_\_  
FOR AND ON BEHALF OF  
CANCER RESEARCH CAMPAIGN  
TECHNOLOGY LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF  
THE MEDICAL RESEARCH COUNCIL

\_\_\_\_\_  
FOR AND ON BEHALF OF  
MAYO FOUNDATION FOR MEDICAL  
RESEARCH AND EDUCATION

LOI:243169-01S7MP011.DOC:52930,0003

3

Dec 18 00 11:42p

Durham Hilton

9193834287

12/18/2000 15:42

9196862129

INTRONN

PAGE 00

P. 2

Dec 18 00 04:21p

GARY MC GARRITY

301-926-6768

p. 4

SIGNATURE: \_\_\_\_\_

GREG WINTER

SIGNATURE: \_\_\_\_\_

GERARD AND BEVERLY MCGARRITY

\_\_\_\_\_  
FOR AND ON BEHALF OF  
CAMBRIDGE UNIVERSITY  
TECHNICAL SERVICES LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY VC.V.

\_\_\_\_\_  
FOR AND ON BEHALF OF  
3i GROUP PLC

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA BERKELEY VS by SC.V

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY NORDIC  
PARTNERS KY

\_\_\_\_\_  
FOR AND ON BEHALF OF  
CANCER RESEARCH CAMPAIGN  
TECHNOLOGY LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF  
THE MEDICAL RESEARCH COUNCIL

\_\_\_\_\_  
FOR AND ON BEHALF OF  
MAYO FOUNDATION FOR MEDICAL  
RESEARCH AND EDUCATION

L01:242169:2107M2011.DOC\32936.0003

3

18/12/00 16:49 FAX 01223332797

WOLFSON I L O

02

*R. L. Janning*

FOR AND ON BEHALF OF  
CAMBRIDGE UNIVERSITY  
TECHNICAL SERVICES LIMITED

FOR AND ON BEHALF OF  
ALTA-BERKELEY VC.V.

FOR AND ON BEHALF OF  
3i GROUP PLC

FOR AND ON BEHALF OF  
ALTA BERKELEY VS by SC.V

FOR AND ON BEHALF OF  
ALTA-BERKELEY NORDIC  
PARTNERS KY

FOR AND ON BEHALF OF  
CANCER RESEARCH CAMPAIGN  
TECHNOLOGY LIMITED

FOR AND ON BEHALF OF  
THE MEDICAL RESEARCH COUNCIL

FOR AND ON BEHALF OF  
MAYO FOUNDATION FOR MEDICAL  
RESEARCH AND EDUCATION

{DOCPROPERTY 'WGM\_TRAILER' \\* MERGEFORMAT }(page \\* Mergeformat }

19-DEC-2000 11:02 FROM ALTA BERKELEY

TO 01223723223

P.02

01223723223

2

Fax reçu de : 020 77346711

19-DEC-2000 09:43 FROM ALTA BERKELEY

TO : 0033563450725

Pg: 7  
P.07

SIGNATURE: \_\_\_\_\_

GREG WINTER

SIGNATURE: \_\_\_\_\_

GERARD AND BEVERLY MCGARRITY

FOR AND ON BEHALF OF

FOR AND ON BEHALF OF

19-DEC-2000 TUE 10:03 020 77346711

P. 02

19-DEC-2000 11:02 FROM ALTA BERKELEY  
FOR AND ON BEHALF OF

TO 01223723223

P.03

CAMBRIDGE UNIVERSITY  
TECHNICAL SERVICES LIMITEDFOR AND ON BEHALF OF  
ALTA-BERKELEY VC.V.FOR AND ON BEHALF OF  
3I GROUP PLCFOR AND ON BEHALF OF  
ALTA BERKELEY VS by SC.VFOR AND ON BEHALF OF  
ALTA-BERKELEY NORDIC  
PARTNERS KYFOR AND ON BEHALF OF  
CANCER RESEARCH CAMPAIGN  
TECHNOLOGY LIMITEDFOR AND ON BEHALF OF  
THE MEDICAL RESEARCH COUNCILFOR AND ON BEHALF OF  
MAYO FOUNDATION FOR MEDICAL  
RESEARCH AND EDUCATION



SIGNATURE: \_\_\_\_\_  
GREG WINTER

SIGNATURE: \_\_\_\_\_  
GERARD AND BEVERLY MCGARRITY

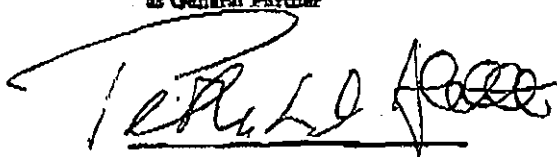
\_\_\_\_\_  
FOR AND ON BEHALF OF  
CAMBRIDGE UNIVERSITY  
TECHNICAL SERVICES LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY VC.V.

\_\_\_\_\_  
FOR AND ON BEHALF OF  
3i GROUP PLC

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA BERKELEY VS by SC.V

CapMan Capital Management Oy  
as General Partner

  
\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY NORDIC  
PARTNERS KY

\_\_\_\_\_  
FOR AND ON BEHALF OF  
CANCER RESEARCH CAMPAIGN  
TECHNOLOGY LIMITED

  
\_\_\_\_\_  
FOR AND ON BEHALF OF  
THE MEDICAL RESEARCH COUNCIL

\_\_\_\_\_  
FOR AND ON BEHALF OF  
MAYO FOUNDATION FOR MEDICAL  
RESEARCH AND EDUCATION

19-DEC-2000 16:47 FROM CRCT/CRU

TO 01223723223

P.04/05

SIGNATURE: \_\_\_\_\_

GREG WINTER

\_\_\_\_\_  
FOR AND ON BEHALF OF  
CAMBRIDGE UNIVERSITY  
TECHNICAL SERVICES LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF  
3i GROUP PLC

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY NORDIC  
PARTNERS KY

\_\_\_\_\_  
FOR AND ON BEHALF OF  
THE MEDICAL RESEARCH COUNCIL

SIGNATURE: \_\_\_\_\_

GERARD AND BEVERLY MCGARRITY

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY VC.V.

\_\_\_\_\_  
FOR AND ON BEHALF OF  
ALTA-BERKELEY VS by SC.V

*C.D.G. Pichering*  
\_\_\_\_\_  
FOR AND ON BEHALF OF  
CANCER RESEARCH CAMPAIGN  
TECHNOLOGY LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF  
MAYO FOUNDATION FOR MEDICAL  
RESEARCH AND EDUCATION

LOI:2431690157MP011.DOC32300003

3

DEC. 18. 2000 11:58AM

MAYO MEDICAL VENTURES

NO. 880

P. 4

SIGNATURE: \_\_\_\_\_

GREG WINTER

SIGNATURE: \_\_\_\_\_

GERARD AND BEVERLY MCGARRITY

\_\_\_\_\_  
FOR AND ON BEHALF OF

CAMBRIDGE UNIVERSITY

TECHNICAL SERVICES LIMITED

\_\_\_\_\_  
FOR AND ON BEHALF OF

ALTA-BERKELEY VC.V.

\_\_\_\_\_  
FOR AND ON BEHALF OF

3i GROUP PLC

\_\_\_\_\_  
FOR AND ON BEHALF OF

ALTA BERKELEY VS by SC.V

\_\_\_\_\_  
FOR AND ON BEHALF OF

ALTA-BERKELEY NORDIC

PARTNERS KY

\_\_\_\_\_  
FOR AND ON BEHALF OF

CANCER RESEARCH CAMPAIGN

TECHNOLOGY LIMITED

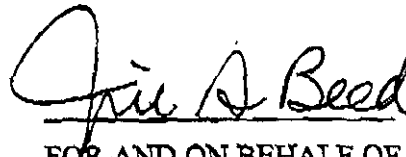
\_\_\_\_\_  
FOR AND ON BEHALF OF

THE MEDICAL RESEARCH COUNCIL

\_\_\_\_\_  
FOR AND ON BEHALF OF

MAYO FOUNDATION FOR MEDICAL

RESEARCH AND EDUCATION



18-DEC-2000 17:49

FROM INST. CANCER RESEARCH

TO

01223723223

P. 04/04

---

FOR AND ON BEHALF OFUK MEDICAL VENTURES FUND NO 1  
LIMITED PARTNERSHIP  
FOR AND ON BEHALF OF

INSTITUTE OF CANCER RESEARCH

---

FOR AND ON BEHALF OFTHE CHANCELLOR MASTERS AND SCHOLARS OF  
THE UNIVERSITY OF CAMBRIDGE

Date sent to Auditors: \_\_\_\_\_

18/12/00 18:49 FAX 01223332797

WOLFSON I L O

03

FOR AND ON BEHALF OF  
UK MEDICAL VENTURES FUND NO 1  
LIMITED PARTNERSHIP

FOR AND ON BEHALF OF  
INSTITUTE OF CANCER RESEARCH

R. C. Jennings

FOR AND ON BEHALF OF  
THE CHANCELLOR MASTERS AND SCHOLARS OF  
THE UNIVERSITY OF CAMBRIDGE

Date passed : 5 January 2001

Date sent to Auditors: \_\_\_\_\_

{DOCPROPERTY 'WGM\_TRAILER' '\* MERGEFORMAT'}(page \\* Mergeformat }

Company Number: 3459808

THE COMPANIES ACTS 1985 and 1989

PRIVATE COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION  
of  
CAMBRIDGE DRUG DISCOVERY HOLDINGS LIMITED

---

incorporated on 3 November 1997  
adopted by special resolution passed on 5 January 2001

## TABLE OF CONTENTS

1	DEFINITIONS .....	1
2	APPLICATION OF TABLE A .....	6
3	SHARE CAPITAL .....	6
4	CONVERSION OF A ORDINARY SHARES .....	7
5	CONVERSION OF B ORDINARY SHARES .....	8
6	VOTING .....	9
7	CLASS RIGHTS .....	9
8	TRANSFER OF SHARES .....	10
9	PERMITTED AND MANDATORY TRANSFERS .....	11
10	PRE-EMPTION RIGHTS .....	17
11	TRANSFER OF CONTROL .....	20
12	APPOINTMENT OF DIRECTORS .....	23
13	SPECIAL DIRECTOR .....	23
14	MEETINGS OF DIRECTORS .....	23
15	DIRECTOR'S CONFLICTS OF INTEREST .....	24
16	LIEN .....	25
17	CALLS .....	25
18	SEAL .....	25
19	INDEMNITY .....	25

Company Number: 3459808

**THE COMPANIES ACTS 1985 and 1989**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**CAMBRIDGE DRUG DISCOVERY HOLDINGS LIMITED**

**Adopted by special resolution on: January 2001**

**1 DEFINITIONS**

In these articles the following words and phrases have the meanings set out opposite them below:

"3i"	3i Group plc (company number 1142830) (and "a member of the 3i Group" shall mean 3i, any subsidiary of 3i, any company of which 3i is a subsidiary and any other subsidiary of any company of which 3i is a subsidiary);
"ABN Ventures"	ABN AMRO Participaties B.V.;
"the Act"	the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force;
"Alta-Berkeley"	Alta-Berkeley V C.V., Alta-Berkeley V S by S C.V. (both care of Caron & Stevens Leidesplain 29 1017 PS Amsterdam, The Netherlands) and Alta-Berkeley Nordic Partners Ky care of CapMan Capital Management Oy, Aleksanterinkatu 15B 00100 Helsinki, Finland or each or any of them as the context shall require;
"Connected Persons"	as defined by section 839 Income and Corporation Taxes Act 1988;



<b>"Controlling Interest"</b>	an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act) in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company;
<b>"Deemed Transfer Notice"</b>	a Transfer Notice given, or deemed to be given, pursuant to articles 9.6 or 9.7;
<b>"Employee Member"</b>	each of Dr Mark Bushfield, Dr Barry Aidan Kenny, Dr David John Parry-Smith and Dr Jonathan Mark Treherne;
<b>"Equity Shares"</b>	the issued A ordinary shares, B ordinary shares and ordinary shares;
<b>"Family Trust"</b>	<p>a trust which only permits the settled property or the income therefrom to be applied for the benefit of:</p> <ul style="list-style-type: none"> <li>• the settlor and/or a Privileged Relation of that settlor; or</li> <li>• any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities);</li> </ul> <p>and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust for any person other than the trustees of the settlor or the Privileged Relations of the settlor. For the purposes of this definition "settlor" includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased member;</p>
<b>"FIS Group"</b>	Friends Ivory & Sime plc and its subsidiaries and any

partnership of which any of them is general partner, manager or adviser, any unit trust or fund of which any of them is trustee, manager, adviser or general partner and any unit trust, partnership or fund the managers of which are advised by any of them in each case from time to time;

**"FIS Investors"**

Baronsmead VCT plc, Baronsmead VCT 2 plc, The AIM Trust plc, The AiM VCT plc and AiM VCT2 plc and any other member of the FIS Group which acquires shares in the Company;

**"Independent Expert"**

an accountant (acting as an expert and not as an arbitrator) nominated by the Vendor (as defined in article 10.1) and the Company or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of the Vendor or the Company;

**"Investment Agreements"**

means the investment agreement dated 13 January 1998 between the Company (1) the Promoters (as defined therein) (2) 3i (3) and Alta-Berkeley (4) - (6) as supplemented by the supplemental investment agreement dated 1 June 1998 between the same parties and the deed of adherence and amendment dated 17 February 1999 between the same parties and MFV1(7) and Mayo (8) the Subscription Agreement dated 17 February 1999 between the Company, the Promoters (as defined therein) MVF - (1) and Mayo and the Subscription Agreement dated 24 December 1999 between UC (9) and the same parties with the exception of Mayo and the investment agreement dated on or about the date of adoption of these articles between, inter alios, the Company, the FIS Investors, ABN Ventures and Mitsubishi Bank;

<b>"Investor"</b>	each of the FIS Investors, ABN Ventures, Mitsubishi, 3i, Alta-Berkeley, MVF1, Mayo or UC and any person who is or becomes an Investor for the purposes of the Investment Agreements or any nominee of the FIS Investors, ABN Ventures, Mitsubishi, 3i, Alta-Berkeley, MVF1 or UC or of any such person;
<b>"Majority Investors"</b>	those Investors holding not less than 75% in number of the Equity Shares then held by all the Investors;
<b>"Mayo"</b>	the Mayo Foundation for Medical Research and Education;
<b>"member of an Investor's Group"</b>	an Investor, a subsidiary of that Investor and any holding company of that Investor and any subsidiary of such holding company and any nominee of any of the foregoing and 'Investor's Group' or 'Group' shall be construed accordingly;
<b>"Mitsubishi"</b>	Mitsubishi Corporation and MC Capital Europe Limited and any subsidiary or holding company;
<b>"MVF1"</b>	UK Medical Ventures Fund No 1 Limited Partnership or any subsidiary or holding company and all or any general partners, limited partners, carried interest partners, limited partnerships, investment trusts or investment companies or funds of or managed by MVF1;
<b>"Privileged Relations"</b>	the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children;
<b>"Share Option Agreements"</b>	the two option agreements in favour of Mayo dated 12 August 1998;

**"Table A"**

Table A in the Companies (Tables A-F) Regulations 1985 as amended by the Companies (Tables A-F) (Amendments) Regulations 1985;

**"Termination Date"**

(i) where employment/consultancy ceases by virtue of notice given by the employer to the employee/consultant, the date on which such notice expires;

(ii) where a contract of employment/consultancy is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

(iii) where the Employee Member concerned is a director but not an employee or consultant, the date on which his contract for services with the Company is terminated; and

(iv) in any other case, the date on which the contract of employment/consultancy is terminated;

**"UC"**

The Chancellor Masters and Scholars of the University of Cambridge; The Old Schools, Trinity Lane, Cambridge, CB2 1TS.

## **2 APPLICATION OF TABLE A**

**2.1** The regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded varied or inconsistent) and the articles hereinafter contained shall be the regulations of the Company.

**2.2** Regulations 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) and 118 of Table A shall not apply to the Company.

### **3 SHARE CAPITAL**

The authorised share capital of the Company is £349,607 divided into:

- 88,634 A ordinary shares of £1 each
- 150,715 B ordinary shares of £1 each
- 110,258 ordinary shares of £1 each.

The rights attaching the respective classes of shares shall be as follows:-

#### **3.1 Income**

- (a) The profits of the Company available for distribution shall be used to pay dividends of such amounts as the directors may determine and recommend to the shareholders of the Company and such dividends shall be paid to the holders of the Equity Shares (pari passu as if the same constituted one class of share) in proportion to the number of Equity Shares held by them respectively.
- (b) The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time and to the extent that it may lawfully do so declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of any dividend.

#### **3.2 Capital**

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be distributed as follows:-

- (a) first in paying to the holders of the B ordinary shares the amount of any premium paid thereon provided always that if the amount available for distribution is less than the aggregate amount of all premiums paid the amount that is available shall be paid pro-rata to the holders of B ordinary shares by reference to the aggregate amount of premium paid by each holder of B ordinary shares;
- (b) second in paying to the holders of the A ordinary shares the amount of any premium paid thereon provided always that if the amount available for

distribution is less than the aggregate amount of all premiums paid the amount that is available shall be paid pro rata to the holders of the A ordinary shares by reference to the aggregate amount of premium paid by each holder of A ordinary shares;

- (c) third in paying to the holders of the ordinary shares the amount of any premium paid thereon provided always that if the amount available for distribution is less than the aggregate amount of all premiums paid the amount that is available shall be paid pro rata to the holders of the ordinary shares by reference to the aggregate amount of premium paid by each holder of ordinary shares;
- (d) the balance of such assets shall be distributed amongst the holders of the Equity Shares pari passu as if the same constituted one class of share.

#### **4 CONVERSION OF A ORDINARY SHARES**

- 4.1** The holders of the A ordinary shares may at any time convert the whole of their A ordinary shares into a like number of ordinary shares. The following provisions of this article shall apply to the conversion.
- 4.2** The conversion shall be effected by notice in writing given to the Company signed by the holders of not less than 75% of the A ordinary shares. The conversion shall take effect immediately upon the date of delivery of such notice to the Company (unless such notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled).
- 4.3** Forthwith after conversion takes effect the holders of the resulting ordinary shares shall send to the Company the certificates in respect of their respective holdings of A ordinary shares. Following receipt of the certificate for the A ordinary shares or an indemnity in favour of the Company in respect of a lost certificate, the Company shall issue to such holders certificates for the ordinary shares resulting from the conversion.
- 4.4** The ordinary shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with other ordinary shares in the capital of the Company.

## **5 CONVERSION OF B ORDINARY SHARES**

- 5.1** The holders of the B ordinary shares may at any time convert the whole of their B ordinary shares into a like number of ordinary shares. The following provisions of this article shall apply to the conversion.
- 5.2** The conversion shall be effected by notice in writing given to the Company signed by the holders of not less than 75% of the B ordinary shares. The conversion shall take effect immediately upon the date of delivery of such notice to the Company (unless such notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled).
- 5.3** Forthwith after conversion takes effect the holders of the resulting ordinary shares shall send to the Company the certificates in respect of their respective holdings of B ordinary shares. Following receipt of the certificate for the B ordinary shares or an indemnity in favour of the Company in respect of a lost certificate, the Company shall issue to such holders certificates for the ordinary shares resulting from the conversion.
- 5.4** The ordinary shares resulting from the conversion shall rank from the date of conversion *pari passu* in all respects with other ordinary shares in the capital of the Company.

## **6 VOTING**

Shares in the Company shall carry votes as follows:

ordinary shares : one vote per share

A ordinary shares : one vote per share

B ordinary shares : one vote per share

Votes on shares may be exercised:

- on a show of hands by every member who (being an individual) is present in person or (being a corporation) is present by a representative (in which case each member holding shares with votes shall have one vote)

- on a poll by every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case each member holding shares with votes shall have one vote for each such share held).

## 7 CLASS RIGHTS

7.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of not less than 75% of the issued shares of that class. Without prejudice to the generality of this article, the special rights attached to the A ordinary shares and the B ordinary shares shall be deemed to be varied:-

(a) by the Company:

- (i) altering its memorandum or articles of association;
- (ii) varying in any way (whether directly or indirectly) the rights attached to any of the shares for the time being in the capital of the Company; or
- (iii) applying by way of capitalisation any sum in or towards paying up any share or loan capital of the Company; or
- (iv) entering into a contract to purchase any of its shares; or
- (v) redeeming any of its shares; or
- (vi) passing a resolution that it be wound up; or
- (vii) appointing or removing its auditors; or

(b) by the Company or any of its subsidiaries:

- (i) altering, increasing, reducing, sub-dividing or consolidating its authorised or issued share capital save for the issue of a maximum of 14,000 ordinary shares of £1 each at a subscription price of not less than £21 per ordinary share pursuant to the terms of the Share Option Agreements; or



- (ii) granting any option or other right to subscribe for shares; or
- (iii) disposing of its undertaking or any substantial part thereof; or
- (iv) disposing of or acquiring any interest in any share in the capital of any company;

7.2 Section 89 and 90 of the Act shall apply to the Company as though the Equity Shares constitute one class of share but the special rights attached to each of the A ordinary shares, the B ordinary shares and the ordinary shares shall be deemed to be varied by any disapplication, exclusion, limitation or variation of the provisions of section 89.

## **8 TRANSFER OF SHARES**

The directors shall refuse to register any transfer of shares made in contravention of the provisions of these articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.

## **9 PERMITTED AND MANDATORY TRANSFERS**

### **9.1 Permitted transfers to relations and family trusts**

Notwithstanding any other provision in these articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation or with the consent of all shareholders to trustees to be held upon a Family Trust of which he is the settlor.

### **9.2 Criteria for consents to family trusts**

Where the consent of a holder of A ordinary shares or B ordinary shares is requested to a transfer to a Family Trust such consent shall be given when the holder is satisfied:-

- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
- (b) with the identity of the proposed trustees;
- (c) that the proposed transfer will not result in 50% or more in the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- (d) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

### 9.3 Permitted transfer by family trusts

Where any shares are held by trustees upon a Family Trust:-

- (a) on any change of trustees such shares may be transferred to the new trustees of that Family Trust;
- (b) such shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor.

### 9.4 Permitted transfers by Investors

Notwithstanding any other provision in these articles the following transfers may be made without restriction as to price or otherwise and any such transfers shall be registered by the directors:-

- (a) any transfer by any member of an Investor's Group of all shares held by that Investor to any other member in the same Investor's Group (but if such transferee ceases to be a member of the Investor's Group it shall forthwith transfer the relevant shares to a member of the relevant Investor's Group);
- (b) a transfer of any shares in the Company held by an Investor (or a nominee of an Investor) who is:-
  - (i) a person whose principal business is to make, manage or advise upon investments (an "**Investment Manager**");

(ii) a fund, partnership, company, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager (an "**Investment Fund**"); or

(iii) a nominee of an Investment Manager or an Investment Fund

may be made between the Investor (or its nominee) and:-

(iv) where the Investor is an Investment Manager or a nominee of an Investment Manager:-

(A) any participant or partner in or member of any Investment Fund in respect of which the shares are held (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);

(B) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor;

(C) any other Investment Manager who manages the business of the Investment Fund in respect of which the shares are held;

(v) where that Investor is an Investment Fund or a nominee of an Investment Fund:-

(A) any participant or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);

(B) any other Investment Fund whose business is managed by the same Investment Manager as manages the Investment Fund which is or whose nominee is the transferor;

(C) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor

or, in any such case, a nominee thereof;

- (vi) subject to the consent of the directors (such consent not to be unreasonably withheld or delayed), any transfer on or before the first anniversary of the date of adoption of these articles by any FIS Investor to a fund, partnership, company, syndicate or other entity whose principal business is to make investments (or a nominee thereof).

#### **9.5 Mandatory transfer if trust ceases to be a "Family Trust"**

If and whenever any shares held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to any Privileged Relation of the settlor) or there cease to be any beneficiaries of the Family Trust other than a charity or charities a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of the relevant shares (as hereinafter defined) by the holders thereof and such shares may not otherwise be transferred.

For the purposes of this sub-article the expression "**relevant shares**" means and includes the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

**9.6 Mandatory transfer on cessation of employment - Employee Member's voluntary cessation**

If an Employee Member ceases to be an employee or consultant of the Company or any of its subsidiaries on or before 24 December 2003 by reason of voluntary resignation/termination of agreement as director, employee or consultant of the Company or any of its subsidiaries (where such resignation/termination is with the mutual consent of the Company) and does not continue in that capacity in relation to any of them, Transfer Notices for a transfer of shares at par value shall be deemed to have been served on all members of the Company except the Employee Members whose employment is continuing, on the relevant Termination Date in respect of such number of shares held by that Employee Member immediately before such cessation, including any shares held by that Employee Member's Privileged Relations and/or Family Trusts (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member or (ii) by reason of their connection with the Employee Member, and the decision of the board of directors in this respect will be final) calculated as follows:

Date of cessation of employment of the Employee Member	Shares subject to Transfer Notice
On or before 24 December 2000	3750
After 24 December 2000	$3750 - [(T - 365) \times 937.5]$ 365

[Where T is the number of days elapsed since 24 December 1999.]

**9.7 Mandatory transfer on cessation of employment - Employee Member's involuntary cessation**

If an Employee Member ceases to be an employee or consultant of the Company or any of its subsidiaries on or before 24 December 2003 for any reason other than as stated in article 9.6 and does not continue in that capacity in relation to any of them, Transfer Notices for a transfer of shares at par value shall be deemed to have been served on all

members of the Company except the Employee Members whose employment is continuing, on the relevant Termination Date in respect of such number of shares held by the Employee Member immediately before such cessation, including any shares held by the Employee Member's Privileged Relations and/or Family Trusts (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member or (ii) by reason of their connection with the Employee Member, and the decision of the board of directors in this respect will be final) calculated as follows:

Date of cessation of employment of the Employee Member	Shares subject to Transfer Notice
Before 24 December 2000	1875
After 24 December 2000	$1875 - \frac{(T - 365) \times 937.5}{365}$

Where T is the number of days elapsed since 24 December 1999.

## 9.8 Vesting of Employee Members' Shares

Ordinary shares of the Company issued to Employee Members will not be subject to a Transfer Notice in the event of a sale of the entire issued share capital of the Company or the listing of the shares of the Company on a recognised stock exchange.

## 10 PRE-EMPTION RIGHTS

### 10.1 Transfer Notices

Save as otherwise provided in these articles every member who desires to transfer any shares (hereinafter called "**the Vendor**") shall give to the Company notice in writing of such desire (in these articles called a "**Transfer Notice**"). Where the Transfer Notice is deemed to have been given it is referred to as a Deemed Transfer Notice. Subject as hereinafter mentioned, a Transfer Notice and a Deemed Transfer Notice shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called "**the Sale Shares**") in one or more lots at the discretion of the directors at the Sale

Price (as agreed or certified pursuant to article 10.2). Neither a Transfer Notice nor a Deemed Transfer Notice once given shall be capable of being revoked (except as provided for in article 10.4) or (in the case of a Transfer Notice only) with the prior written consent of a majority of the directors.

#### **10.2 Calculation of the Sale Price**

The price for the Sale Shares (the "Sale Price") shall be the price agreed by the Vendor and the directors. If the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or being deemed to have been given the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair market value thereof. In arriving at this opinion the Independent Expert will value the shares as at the date the Transfer Notice is given or is deemed to have been given on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority or majority or controlling interest and on the assumption that the Sale Shares are capable of transfer without restriction. The decision of the Independent Expert as to the Sale Price shall, in the absence of manifest error, be final and binding.

#### **10.3 Right of Vendor to reject partial sales**

A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition (a "**Total Transfer Condition**") that unless all the shares comprised therein are sold by the Company pursuant to this article none shall be sold. Any such provision shall be binding on the Company.

#### **10.4 Certification of the Sale Price and right of Vendor to cancel**

If the Independent Expert is asked to certify the Sale Price his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Vendor. The Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the copy certificate to revoke the Transfer Notice unless the shares are to be sold pursuant to a Deemed Transfer Notice. The cost of obtaining the certificate shall be paid by the Company unless the Vendor cancels it in which case the Vendor shall bear the cost.

#### **10.5 Pre-emptive offers-general**

Upon the Sale Price being agreed or certified by the Independent Expert then unless the Vendor validly revokes the Transfer Notice, the Sale Shares shall be offered for sale as set out below. All offers made by the Company shall give details of the number and Sale Price of the Sale Shares.

#### **10.6 First Offer**

As soon as Sale Shares become available they shall be forthwith offered for sale by notice in writing (the "**Offer Notice**") by the Company to all holders of Equity Shares (other than the Vendor) pro rata as nearly as may be to the respective numbers of Equity Shares held by such members. Any offer made by the Company under this sub-article will invite the relevant members to state in writing the maximum number of the shares offered to them they wish to purchase and will remain open for 21 days ("the **First Offer Period**") from the date of the Offer Notice.

#### **10.7 Second Offer**

If at the end of the First Offer Period there are any Sale Shares offered which have not been allocated the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. This offer will invite the relevant members to state in writing the maximum number of shares they wish to purchase. If there are insufficient Sale Shares to meet the demand then the directors will allocate the Sale Shares pro rata as nearly as may be in proportion to the number of Equity Shares held by the relevant members. This offer will remain open for a further period of 21 days. Thereafter the Company shall continue to make offers on the same terms while any member continues to state in writing his willingness to purchase all shares offered to him.



#### **10.8 Transfer procedure for pre-emptive offers**

If the Company finds a purchaser for all or any of the Sale Shares under the terms of this article the Company shall notify the Vendor in writing of the Sale Shares for which the Company has found a purchaser. If the Company finds a purchaser(s) the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such purchaser(s). If the Vendor defaults in transferring Sale Shares the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them subject only to such transfer having been duly stamped. If the Transfer Notice contains a Total Transfer Condition, the Vendor shall only be obliged to transfer the Sale Shares if purchaser(s) have been found for all of the Sale Shares.

#### **10.9 Transfers free of pre-emption**

If the Company does not find purchaser for all of the Sale Shares under the terms of this article the Vendor shall at any time within six months after the final offer by the Company to its members be free to sell and transfer such of the Sale Shares as have not been so sold (or if the Sale Shares were subject to a Total Transfer Condition, all of the Sale Shares) to any person at a price which is no less than the Sale Price. However, if the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all the shares and not part only.

#### **10.10 Effect of non-compliance**

Any purported transfer of shares otherwise than in accordance with the provisions of these articles shall be void and have no effect.

## **11 TRANSFER OF CONTROL**

### **11.1 Transfers prohibited absolutely**

No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company other than in accordance with articles 11.2 or 11.3.

### **11.2 Transfers permitted where offer is made for A ordinary shares, B ordinary shares and ordinary shares**

No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without the consent in writing of the holders of at least 85% of the A ordinary shares and 85% of the B ordinary shares if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by a person or persons whether or not then a member of the Company unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the A ordinary shares, B ordinary shares and the ordinary shares at the same price.

If any part of the price is to be paid except by cash then the holders of the A ordinary shares, B ordinary shares and the ordinary shares may, at their option, elect to take a price per share of such cash sum as may be agreed by them and the proposed transferee having regard to the transaction as a whole.

### **11.3 Compulsory purchases**

If an offeror for shares in the Company, having made offers to all the members of the Company which are acceptable to the holders of at least 75% of the A ordinary shares and 75% of the B ordinary shares receives valid acceptances which would, on completion, result in such offeror becoming the holder of not less than 80% of the issued equity share capital of the Company, then:

- (a) such offeror may give notice to any non-accepting holder of ordinary shares, A ordinary shares and B ordinary shares requiring him to accept the offer within 14 days and stating that, failing such acceptance, he shall be deemed to have

accepted such offer in respect of all ordinary shares, A ordinary shares and B ordinary shares held by him and irrevocably to have waived any pre-emption rights he may have in relation to any shares the subject of such offer;

- (b) upon the expiry of such notice each recipient thereof shall be obliged to deliver to the offeror (or as he may direct) an executed share transfer form and share certificate(s) in respect of the shares which were the subject of the notice together with an executed waiver of pre-emption rights, if appropriate;
- (c) if any such member fails to deliver executed share transfer form(s), share certificate(s) and pre-emption waiver(s) (if appropriate) as set out above he shall be deemed to have appointed any director of the Company to be his agent and attorney to execute such documents on his behalf and, against receipt by the Company (on trust for such member) of the appropriate purchase moneys, to deliver such executed transfer(s) and pre-emption waiver(s) (if appropriate) to the offeror and it shall be no impediment to completion of the transfer that such member's share certificate(s) has/have not been produced;
- (d) after such offeror or his nominee has been registered as the holder of shares transferred in accordance with this article the validity of such transaction shall not be questioned by any person.

#### **11.4 Sale of share capital**

In the event of a sale of the entire issued share capital of the Company to a third party (a "Sale") then notwithstanding anything to the contrary in the terms and conditions governing such Sale the selling members shall procure that the consideration (whenever received) shall be paid into a designated account and shall be distributed amongst such selling members in the following order of priority:

- (a) first, in paying to members selling B ordinary shares in proportion to the number of such B ordinary shares held by each member an amount equal to the subscription price of those B ordinary shares together with a sum equal to any arrears or accruals of the dividends on the B ordinary shares;
- (b) second, in paying to members selling A ordinary shares in proportion to the number of such A ordinary shares held by each member an amount

equal to the subscription price of those A ordinary shares together with an amount equal to any arrears or accruals of the dividends on the A ordinary shares;

- (c) third, in paying to members selling ordinary shares in proportion to the number of such ordinary shares held by each member an amount equal to the subscription price of those ordinary shares together with an amount equal to any arrears or accruals of the dividends on the ordinary shares; and
- (d) finally, in paying to members selling ordinary shares, A ordinary shares and B ordinary shares any remaining balance in proportion to the number of ordinary shares, A ordinary shares and B ordinary shares held by each of them.

#### **11.4.2**

### **11.5 Interpretation**

In this article:

- (a) the expressions "**transfer**" and "**transferee**" shall include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment;
- (b) the expression "**shares**" includes bearer shares, depository receipts and any other security or instrument into which shares maybe converted with a view to a sale;
- (c) whether or not persons acting in concert will be determined by the then most recent edition of the City Code on Takeovers and Mergers.

### **11.6 Primacy of article**

All other regulations of the Company relating to the transfer of shares and the rights to registration of transfers shall be read subject to the provisions of this article.

## **12 APPOINTMENT OF DIRECTORS**

The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director.

## **13 SPECIAL DIRECTOR**

**13.1** The FIS Investors shall be entitled to appoint a director of the Company (a "Special Director") and to remove from office any director so appointed.

**13.2** ABN Ventures shall be entitled to appoint a director of the Company (a "Special Director") and to remove from office any director so appointed.

**13.3** Notwithstanding any other provisions of these articles and for as long as 3i, Alta-Berkeley and MVF1 (as the case may be) holds 5% or more of the Equity Shares each of 3i, Alta-Berkeley and MVF1 respectively shall be entitled to appoint as a director of the Company any person (each such person being also herein referred to as a "Special Director") approved by the directors (whose approval shall not be unreasonably withheld) and to remove from office any person so appointed and (subject to such approval) to appoint another person in his place. Upon request by the Investors the directors shall also procure that any one of the Special Directors nominated by the Investors is appointed and acts as Chairman of the board of directors of the Company and/or as a member of the remuneration committee (and any other committee) of the board of directors of the Company. The remuneration and reasonable expenses to be paid to a Special Director shall be payable by the Company and shall be such sum as may be agreed by each of 3i, Alta-Berkeley, MVF1, the FIS Investors and ABN Ventures respectively although no remuneration is payable to the Special Directors appointed by the FIS Investors and ABN Ventures. Upon request by 3i and/or Alta-Berkeley and/or MVF1 and/or the FIS Investors and/or ABN Ventures the Company shall also procure that a Special Director appointed by them be appointed a director to any subsidiary of the Company.

## **14 MEETINGS OF DIRECTORS**

Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity

of such meeting that notice was not given to him. Meetings of the directors may be held by conference telephone or similar equipment, so long as all the participants can hear each other. Such meetings shall be effective as if the directors had met in person.

## **15 DIRECTOR'S CONFLICTS OF INTEREST**

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

- (a) may be party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
- (b) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) may (and any firm or company of which he is partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (e) shall be entitled to vote and be counted in the quorum on any matter referred to in the foregoing paragraphs of this article.

**15.2** For the purposes of this article:-

- (a) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transactions or arrangement in which a specified person or class or persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

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

## **16 LIEN**

The lien conferred by regulation 8 of Table A shall apply to all shares of the Company whether fully paid or not 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 several joint holders.

## **17 CALLS**

The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment."

## **18 SEAL**

Regulation 6 of Table A shall be modified so as to remove the reference to the company seal and regulation 101 of Table A shall be modified by the insertion of the words ", if the Company has one," after the words "The seal" at the beginning of that regulation.

## **19 INDEMNITY**

- 19.1** Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part 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.

- 19.2** The Company may purchase and maintain insurance against any liability falling upon its directors or other officers or auditors which arises out of their respective duties to the Company or in relation to its affairs.