

Company Number: 3538502

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION OF THE MEMBERS
OF
HONEYFRAME SOFTWARE DEVELOPMENT LIMITED (the "Company")

The undersigned, being all the members of the Company who at the date of this resolution are entitled to attend and vote at a general meeting of the Company convened for the purpose of considering the resolutions set out below **HEREBY RESOLVE**, in accordance with Article 53 of Table A in the Schedule to the Companies (Tables A to F) Regulations 1985, such article being incorporated in the Company's Articles of Association, that the following resolutions be passed as ordinary or special resolutions as indicated and agree that the said resolutions shall, for all purposes, be as valid and effective as if they had been passed at a duly convened and held general meeting of the Company.

SPECIAL RESOLUTION

1. **THAT** the Articles of Association attached hereto be and are hereby adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

ORDINARY RESOLUTION

2. **THAT** the authorised share capital of the Company be and is hereby increased by £375,000 to £376,000 by the creation of 375,000 preference shares of £1 each in the capital of the Company such shares having the rights and obligations set out in the Articles of Association of the Company adopted by Resolution 1 above.

ORDINARY RESOLUTION

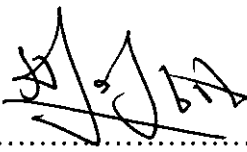
3. **THAT** the Directors of the Company from time to time be and are hereby generally and unconditionally authorised for the purposes of Section 80 Companies Act 1985 ("**the Act**") to exercise all the powers of the Company to allot preference shares in the capital of the Company up to a maximum nominal amount of £375,000 to such persons at such times and upon such terms and conditions as the Directors of the Company may determine (subject to the Articles of Association of the Company) provided that this authority shall, unless renewed, expire on the date five years after the date hereof.

SPECIAL RESOLUTION


4. **THAT** the directors of the Company be and are hereby authorised to allot preference shares in the capital of the Company pursuant to the general authority conferred by Resolution 3 above as if article 4 of the Articles of Association of the Company adopted by resolution 1 above did not apply to any such allotment.



Dated 23rd Jan. 2001

X 

.....
for and on behalf of
Guild Ventures Limited

X 

.....
Christopher Philip Preece

X 

.....
William Denzil Martin

Company Number: 3538502

THE COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION
of
HONEYFRAME SOFTWARE DEVELOPMENT LIMITED

(as adopted by Special Resolution passed on 23 June 2001)

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Company Number: 3538502

THE COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY SHARES
NEW ARTICLES OF ASSOCIATION OF
HONEYFRAME SOFTWARE DEVELOPMENT LIMITED

1. Preliminary

1.1 The Regulations contained in Table A as prescribed by the regulations made under the Act in force at the date of adoption of these Articles of Association (hereinafter referred to as “**Table A**”) shall apply to the Company insofar as these Articles do not exclude or modify Table A. Any reference herein to any regulation is to that regulation as set out in Table A.

1.2 In these Articles:

“Act”

the Companies Act 1985 including every statutory modification or re-enactment thereof for the time being in force;

““A” Director”

a Director appointed by the “A” Shareholders;

““A” Shares”

the “A” ordinary shares of £1 each in the capital of the Company;

““A” Shareholders”

the holders for the time being of the “A” Shares;

“Auditors”

the auditors for the time being of the Company;

““B” Director”

a Director appointed by the “B” Shareholders;

““B” Shares”

the “B” ordinary shares of £1 each in the capital of the Company;

““B” Shareholders”

the holders for the time being of the “B” Shares;

“Directors”

the directors for the time being of the Company or a quorum of such directors present at a duly convened meeting of the directors;

“Ordinary Shares”

collectively the “A” Shares and the “B” Shares (for the purposes of these Articles the “A” Shares and the “B” Shares shall be treated as separate classes);

“Preference Shares”

the redeemable preference shares of £1 each in the capital of the Company;

“Shares”

collectively the Ordinary Shares and the Preference Shares;

“Shareholders”

collectively the “A” Shareholders and the “B” Shareholders;

“Shareholders Agreement”

the shareholders agreement entered into on 14 March 2000 and made between (1) Guild Ventures Limited, (2) W D Martin (3) C Preece and (4) the Company;

“Third Party Purchaser”

in respect of Articles 8 and 9, an individual or body corporate not being an “associate” within the meaning of section 435 Insolvency Act 1985; and

“Transfer Notice”

a notice in accordance with Article 5 that a member desires to transfer his Shares.

2. **Share Capital**

2.1 At the date of adoption of these Articles the authorised share capital of the Company is £376,000 divided into 750 “A” Shares, 250 “B” Shares and 375,000 Preference Shares of which 75 “A” Shares, 25 “B” Shares and 375,000 Preference Shares have been issued and are fully paid.

2.2 Without prejudice to the other provisions of these Articles the rights attaching to the Ordinary Shares and the Preference Shares respectively shall be as follows:

2.2.1 As regards Income:

(a) The Company shall, in priority to the payment of any dividend to all other shareholders, pay to the holders of the Preference Shares a fixed cumulative preferential dividend (the **“Preference Dividend”**) at the rate (net of any advance corporation tax payable by the Company) equal to 7.5% of the amount paid up or credited as paid up thereon, such dividend to accrue on a daily basis and to be payable annually in arrears on 31 March, 30 June, 30 September and 31 December in each year provided that the first payment of such dividend shall be on 30 September 2001 in respect of the period from the date of adoption of these Articles.

(b) Unless the Company is prohibited from paying dividends by the Act, the Preference Dividend shall (notwithstanding regulations 102 to 108 inclusive of Table A or any other provision of these Articles and in particular notwithstanding that there has not been a recommendation of the Directors or resolution of the Company in general meeting) be paid

immediately on the due date and if not then paid shall be a debt due by the Company and be payable in priority to any later Preference Dividend.

- (c) Where the Company is precluded by the Act from paying in full any Preference Dividend on any due date for payment, then in respect of any Preference Dividend which would otherwise require to be paid pursuant to these Articles:
 - (i) the Company shall pay, on that date, to the holders of the Preference Shares on account of the Preference Dividend the maximum sum (if any) which can then, consistently with the Act be paid by the Company; and
 - (ii) as soon as the Company is no longer precluded from doing so, the Company shall in respect of the Preference Shares pay on account of the balance of the Preference Dividend for the time being remaining outstanding, and until all arrears of the Preference Dividend have been paid in full, the maximum amount of Preference Dividend which can, consistently with the Act properly be paid by the Company at that time.

2.2.2 As regards Capital:

On a return of assets on liquidation, reduction of capital or otherwise, the assets of the Company available for distribution to the members of the Company, after payment of all its liabilities, shall be distributed as follows:

- (a) Firstly, in paying to the holders of the Preference Shares (in proportion to the number of such shares held by each of them) and in priority to all other shareholders, an amount equal to the amount paid up or credited as paid up on such Preference Shares together with a sum equal to all arrears of the Preference Dividend calculated down to the date of the return of assets; and
- (b) Secondly, in paying to the holders of the Ordinary Shares pro rata in proportion to the number of shares held by them respectively any surplus assets of the Company.

2.2.3 As regards Voting:

- (a) The holders of the Ordinary Shares shall be entitled to attend and vote at all general meetings of the Company and each such holder shall have, on a show of hands, one vote and, on a poll, one vote for each Share of which he or it is the holder.

- (b) The Preference Shares shall entitle the holders thereof to receive notice of and attend any general meeting of the Company but they shall not in respect of their holdings of such Preference Shares be entitled to vote upon any resolution unless:
- (i) there are any arrears of the Preference Dividend outstanding at the date of the notice convening the general meeting;
 - (ii) the Company shall have failed to redeem any of the Preference Shares in accordance with the provisions of Article 2.2.4 below;
 - (iii) the resolution is one which directly or indirectly varies, modifies, alters or abrogates any of the rights, privileges, limitations or restrictions attaching to the Preference Shares; or
 - (iv) the resolution is one which is for the winding up of the Company or the reduction of share capital.

When entitled to vote pursuant to this Article 2.2.3(b), every holder of Preference Shares shall have, on a show of hands, one vote and, on a poll, one vote for each Preference Share of which he or it is the holder.

2.2.4 As regards Redemption:

The Preference Shares shall, subject to the Act, be redeemed on and subject to the following terms and conditions:

- (a) Subject to the following provisions of this Article 2.2.4, the Preference Shares shall be redeemed by the Company pro rata to the number of Preference Shares held by each holder thereof on the third anniversary of the date of adoption of these Articles or, if earlier (at the option of each holder of Preference Shares and in respect of all of the Preference Shares held by such holder then unredeemed and outstanding), on (i) a Sale or Listing (as defined below) or (ii) the appointment of a receiver or manager or administrative receiver over all or any part of the assets of the Company or (iii) the appointment of a liquidator or administrative over the Company. In this paragraph (a) the following words shall have the following meanings:

“Listing”

either (a) a successful application being made to the UK Listing Authority for all or any of the Ordinary Shares of the Company to be admitted to the Official List of the UK Listing Authority, or (b) a successful application being made to the London Stock

Exchange for all or any of the Ordinary Shares of the Company to be admitted to trading on the Alternative Investment Market of the London Stock Exchange, or (c) a successful application being made to JP Jenkins Limited for all or any of the Ordinary Shares of the Company to be admitted to trading through OFEX; and

“Sale”

the acquisition by any person, excluding a person who is a member of the Company at the date of adoption of these Articles (or any person acting in concert with or connected with such a member) (a **“Third Party Purchaser”**) of acquiring interest in any shares if, upon completion of that acquisition, the Third Party Purchaser together with persons acting in concert or connected with him would hold more than 50 per cent. in nominal value of the Ordinary Shares in the capital of the Company.

- (b) Subject to the provisions of the Act the Company may, provided there are no arrears of the Preference Dividend then outstanding, redeem all or (in instalments of not less than 10,000 shares) some of the Preference Shares in advance of the due date for redemption upon giving not less than 14 days notice thereof to the holders of Preference Shares.
- (c) On each date for redemption of the Preference Shares, each registered holder of Preference Shares to be redeemed shall deliver to the Company at its registered office the share certificates for such Preference Shares and thereupon the Company shall pay to such holder (or, in the case of joint holders, to the holder whose name stands first in the register of members in respect of such shares) the amount due to him in respect of such redemption and shall issue a new share certificate in respect of any unredeemed Preference Shares comprised in the certificate delivered by him.
- (d) As a condition of the redemption, there shall be paid on each Preference Share redeemed as a debt of the Company the subscription price for such share (being an amount equal to the amount paid up or credited as paid up thereon, including the full amount of any premium at which such share was issued whether or not such premium is applied for any purposes thereafter) together with a sum equal to any arrears of the Preference Dividend in respect of such Preference Share calculated down to the relevant Redemption Date.
- (e) In the case of a redemption of less than all the Preference Shares for the time being in issue, the Company shall redeem the same proportion (as nearly as practicable) of each member's registered holdings of Preference Shares.

- (f) If the Company is permitted by the Act to redeem only some of the Preference Shares which would otherwise fall to be redeemed at any time, the Company shall redeem that number of such shares that it can so redeem at that time. The Company shall redeem, as soon thereafter as it may do so, all the remaining Preference Shares which would otherwise have fallen to be redeemed, and pending such redemption shall not pay any dividend on any other class of shares.
- (g) If any member whose Preference Shares are liable to be redeemed under this Article 2.2.4 fails to deliver to the Company the documents referred to in paragraph (c) above, the Company may retain the redemption money on trust for that member (but without obligation to invest or earn or pay interest in respect of the same) until it receives those documents. The Company shall then pay the redemption money to the relevant member upon receipt of those documents.
- (h) The receipt of the registered holder (or, in the case of joint holders, the holder whose name stands first in the register of members) for the time being of any Preference Shares being redeemed for the monies payable on redemption of such shares shall constitute an absolute discharge to the Company in respect thereof.

3. **Lien**

- 3.1 In regulation 8 of Table A the words "not being a fully paid Share" shall be omitted. The Company shall have a first and paramount lien on all Shares (whether fully paid or not) standing registered in the name of any person indebted or under liability to the Company (whether he is the sole registered holder thereof or one of two or more joint holders) for all monies presently payable by him or his estate to the Company.
- 3.2 The liability of any member in default in respect of a call shall be increased by the addition of the words "and all expenses that may have been incurred by the Company by reason of such non-payment" at the end of the first sentence of regulation 18.

4. **Issue of Shares**

- 4.1 Subject to the provisions of section 80 of the Act and Article 4.3, all unissued Shares shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that no Shares shall be issued at a discount.
- 4.2 Section 89(1) and sub-sections (1) to (6) of section 90 of the Act shall not apply to the Company.
- 4.3 Any shares in the capital of the Company which are proposed to be issued will be offered first to the Shareholders in proportion as nearly as possible to the number of

Shares held by them. The offer will be made by notice specifying the number of shares offered and giving 14 days within which the offer, if not accepted, will be deemed to have been declined. After the expiration of that period, any shares not accepted, will be offered, in the same proportions, to the Shareholders who have accepted all shares initially offered to them. This further offer will be made on the same terms as the original offer save that the period in which the offer may be accepted will be 7 days. Any shares not accepted pursuant to either the original offer or any further offer, or which are not capable (in the sole opinion of the Board) of being offered except by way of fractions, will be at the disposal of the Board, who may issue, grant options over or otherwise dispose of them to such persons and on such terms as they think fit, save that such shares are not to be disposed of on terms which are more favourable than the terms on which they have been offered to the Shareholders.

5. Transfer of shares

- 5.1 Subject to these Articles, Shares may be transferred by transfer in writing in usual common form or in any other form approved by the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and, when the share is not fully paid, shall also be signed by the transferee.
- 5.2 The Directors may in their absolute discretion and without assigning any reason therefore refuse to register any transfer of Shares not fully paid or over which the Company has a lien. The Directors may also refuse to register a transfer of Shares, whether fully paid or not, in favour of more than four persons jointly.
- 5.3 The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is duly stamped and is in respect of only one class of Share and is accompanied by the relevant share certificate and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). All instruments of transfer which are registered may be retained by the Company.

6. Pre-emption on Transfer

- 6.1 The right to transfer Ordinary Shares or any interest in Ordinary Shares shall be subject to the following restrictions and provisions. References in this Article 6 to shares or Sale Shares shall include any interest in and grant of contractual rights or options over or in respect of such Ordinary Shares.
- 6.2 Any Shareholder (the “**Proposing Transferor**”) proposing to transfer any Ordinary Shares (the “**Sale Shares**”), shall be required before effecting, or purporting to effect the transfer, to give a notice in writing to the Company (a “**Transfer Notice**”) that he desires to transfer the Sale Shares and specifying the price at which he is prepared to sell the Sale Shares in accordance with the following provisions of this Article 6 (the “**Proposed Price**”). The Transfer Notice shall constitute the Company his agent for the sale of the Sale Shares (together with all rights then attached thereto) during the Prescribed Period (as defined in Article 6.6) to the Shareholders on the basis set out in the following provisions of this Article 6 and shall not be revocable except with the

consent of the Directors.

- 6.3 The Sale Shares shall be offered for purchase in accordance with this Article 6 at a price per Sale Share (the "**Sale Price**") as agreed between the Proposing Transferor and the Directors or, in default of such agreement within 21 days after the date of service of the Transfer Notice (the "**Notice Date**"), the lower of:

6.3.1 the Proposed Price; and

6.3.2 the price per Sale Share (the "**Auditors' Price**") as determined by the Auditors in accordance with Article 6.4.

- 6.4 If the Sale Price shall not have been agreed between the Proposing Transferor and the Directors within the time limit prescribed in Article 6.3, then immediately following the expiry of such period the Directors shall refer the matter to the Auditors and the Auditors shall determine and certify the sum per share considered by them to be the market value thereof as at the Notice Date. In so determining and certifying the Auditors shall not take into account the proportion of the relevant class of shares which the Sale Shares represent or the existence of a shareholders agreement or the provisions of these Articles. The Auditors shall act hereunder at the cost and expense of the Company as experts and not as arbitrators and their determination shall be final and binding on all persons concerned and (in the absence of fraud) they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith.

- 6.5 The Company shall offer the Sale Shares for purchase at the Sale Price by a written Offer Notice (the "**Offer Notice**") given within 21 days after the Sale Price is agreed or determined under Article 6.4 to the persons (other than the Proposing Transferor) who, on the Notice Date, were the registered holders of "A" Shares on terms that, in case of competition, the Sale Shares shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holdings of "A" Shares (and the shareholding of the Proposing Transferor shall be ignored for the purpose of calculating this proportion). Any Shares which are not accepted pursuant to the offer contained in the Offer Notice will be offered by the Company by a further written notice (the "**Further Notice**") given within 21 days of the date of the Offer Notice to those "A" Shareholders who accepted Shares pursuant to the offer contained in the Offer Notice, such second offer to be in proportion to their holdings of Ordinary Shares as increased by their acceptance of the offer contained in the Offer Notice (again, for the purpose of calculating the relevant proportion, ignoring the Proposing Transferor's shareholding and also ignoring the shareholdings of any "A" Shareholder who did not accept the offer contained in the Offer Notice pursuant to this Article 6.5).

- 6.6 The period during which a relevant "A" Shareholder may accept the offer contained in the Offer Notice shall commence on the date of the Offer Notice and terminate 14 days thereafter. The period, if any, during which a relevant Shareholder may accept the offer contained in the Further Notice shall commence on the date of the Further Notice and terminate 14 days thereafter. The first period referred to in this Article 5.6

or, if a Further Notice is served, the aggregate of the periods referred to in this Article 6.6 shall be referred to as the "**Prescribed Period**".

- 6.7 Any Sale Shares not accepted by the "A" Shareholders pursuant to Article 6.5 by the end of the last day of the Prescribed Period shall be offered by the Company to the persons who at the Notice Date are the registered holders of "B" Shares for purchase at the Sale Price on the same terms as set out in Article 6.5 and the period during which the offer made by the Company under this Article 6.7 may be accepted by a relevant "B" Shareholder (the "**Further Period**") shall be a further period of 21 days commencing on the day after the day on which the Prescribed Period under Article 6.6 terminates and ending 21 days thereafter.
- 6.8 Any Sale Shares not accepted by any of the members pursuant to the foregoing provisions of these Articles by the end of the last day of the Prescribed Period or, if relevant, the Further Period may, subject to Article 10, be offered by the Proposing Transferor to such persons as he may think fit for purchase at the Sale Price for a period of three months commencing on the day after the day on which the Prescribed Period or, if relevant, the Further Period terminates.
- 6.9 After the expiry of the Prescribed Period or, if relevant, the Further Period, the Directors shall allocate the Sale Shares in accordance with the acceptances received on the basis set out in Article 6.5 to 6.8. The Directors shall within 7 days of the expiry of the Prescribed Period or, if relevant, the Further Period, give notice in writing (the "**Sale Notice**") to the Proposing Transferor and to each accepting Shareholder (each a "**Purchaser**") specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the aggregate price payable for them.
- 6.10 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than 3 days nor more than ten days after the date of the Sale Notice) when the Proposing Transferor, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, shall transfer those Sale Shares and deliver the relevant share certificates to that Purchaser.
- 6.11 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser(s) hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser(s) to be registered as the holder(s) of such shares. The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money to the Proposing Transferor until he shall have delivered his share certificate(s) or a suitable indemnity and the necessary transfers to the Company.

7. Compulsory Transfers

- 7.1 If a Shareholder:

7.1.1 which is a company either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets; or

7.1.2 which is an individual shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction,

such Shareholder shall forthwith at the request of the Board be deemed to have served a Transfer Notice in respect of all the Shares held by such Shareholder.

7.2 Upon any Shareholder who is also a director or employee of the Company ceasing for any reason to be a director or employee of the Company, such Shareholder shall at the request of the Board be deemed to have served a Transfer Notice (a **"Deemed Transfer Notice"**) in respect of all the Shares held by such Shareholder at the date of such cessation.

7.3 The Shares the subject of a Deemed Transfer Notice shall be offered for sale, in the case of a Deemed Transfer Notice under Article 7.2, firstly to the remaining "B" Shareholders (if any) (which offer shall be made on the basis set out in Article 6.5 and which offer shall remain open for acceptance for a period of 14 days) and thereafter and in any other case in accordance with the provisions of Article 6 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating the person who is deemed to have given the Deemed Transfer Notice as the Proposing Transferor provided that the Sale Price shall be:

7.3.1 in the case where the relevant Proposing Transferor is a Good Leaver (as defined in Article 7.4) the Auditor's Price determined in accordance with Article 7.4; or

7.3.2 in the case where the relevant Proposing Transferor is a Bad Leaver (as defined in Article 7.4) the lower of the Auditor's Price (as determined in accordance with Article 7.4) and par.

7.4 In Article 7.3:

7.4.1 **"Good Leaver"** refers to a person who ceases to be a director or employee as a result of:

- (a) death, illness (including mental illness), permanent disability, permanent incapacity through ill health;
- (b) termination by notice by the Company under clause 4.1 of his service agreement (if any) entered into on 14 March 2000;
- (c) termination by notice under clause 4.1 of the service agreement referred to in paragraph (b) above served by the employee at any time after the expiry of three years from 14 March 2000;
- (d) wrongful dismissal; or

- (e) in circumstances where he has been dismissed from employment and such dismissal is found to have been unfair by any industrial tribunal or any appellate body thereof; and

7.4.2 “**Bad Leaver**” refers to a person who ceases to be a director or employee and who does not fall within the definition of “**Good Leaver**”.

8 **Bring Along Option**

- 8.1 Subject to Article 8.2, if the holders of not less than 70% of the “A” Shares (the “**Selling Shareholders**”) shall receive an offer from a Third Party Purchaser which they intend to accept to acquire all the Ordinary Shares held by the Selling Shareholders, the Selling Shareholders shall have the option (the “**Bring Along Option**”) to require all the other Shareholders (the “**Remaining Shareholders**”) to transfer all their Shares (the “**Remaining Shares**”) to the third party purchaser or as the third party purchaser shall direct in accordance with this Article 8 and, for the avoidance of doubt, the provisions of Article 6 shall not apply to such proposed sale or transfer.
- 8.2 The Bring Along Option may not be exercised before the expiry of 24 months from 14 March 2000.
- 8.3 The Selling Shareholders shall exercise the Bring Along Option by giving notice to that effect (a “**Bring Along Notice**”) to the Remaining Shareholders at any time before the transfer of the Selling Shareholders’ Ordinary Shares to the Third Party Purchaser. A Bring Along Notice shall specify that the Remaining Shareholders are required to transfer all their Remaining Shares pursuant to this Article 8 to the Third Party Purchaser, the price at which the Remaining Shares are to be transferred (being not less than the price per Ordinary Share payable by the Third Party Purchaser in respect of the Shares held by the Selling Shareholders) and the proposed date of transfer. A Bring Along Notice shall be irrevocable unless the Third Party Purchaser refuses to acquire the Remaining Shares on the terms of this Article 8.
- 8.4 The Remaining Shareholders shall be obliged to sell the Remaining Shares at the price specified in the Bring Along Notice and completion of this sale and purchase shall take place on receipt of the consideration payable for the relevant Shares and on the same date as the date proposed for completion of the sale of the Selling Shareholders’ Ordinary Shares, unless:
 - 8.4.1 all the Remaining Shareholders and the Selling Shareholders agree otherwise; or
 - 8.4.2 the date is less than 14 days after the Bring Along Notice, in which case completion shall take place on the 14th day after the Bring Along Notice.
- 8.5 Each of the Remaining Shareholders shall, on service of the Bring Along Notice, be deemed to have appointed each of the Selling Shareholders severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Remaining Shares to the

third party purchaser pursuant to this Article 8.

9. **Tag Along Option**

9.1 No sale or transfer or other disposition of more than 50% of the Ordinary Shares (the "**Specified Shares**") to a Third Party Purchaser shall have any effect unless before the transfer is lodged for registration the third party purchaser acquiring the Specified Shares has made a bona fide offer (a "**Tag Along Offer**") in accordance with these Articles to purchase from the other Shareholders such number of the Ordinary Shares which are not Specified Shares (the "**Uncommitted Shares**") as represents the same proportion of the Uncommitted Shares as the number of Specified Shares represents to the total number of issued and allotted Ordinary Shares other than the Uncommitted Shares (that proportion of the Uncommitted Shares being referred to in this Article 9 as the "**Tag Along Shares**").

9.2 A Tag Along Offer shall be in writing, shall specify the price at which the Tag Along Shares may be transferred (being the price payable by the third party purchaser in respect of each of the Specified Shares), shall be open for acceptance for at least 21 days and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within the time period prescribed for acceptance. The consideration payable pursuant to a Tag Along Offer shall be settled in full on completion of the sale and purchase of the Tag Along and within 30 days of the date of the offer.

9.3 Following the acceptance of a Tag Along Offer by a holder of any Tag Along Shares, that Shareholder shall be obliged to sell the Tag Along Shares held by it to the third party purchaser at the price specified in the Tag Along Offer and completion of this sale and purchase shall take place on the same date as the date of completion of the sale of the Specified Shares.

9.4 Each holder of Tag Along Shares who accepts a Tag Along Offer shall be deemed to have appointed each holder of Specified Shares severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Tag Along Shares held by such Shareholder to the third party purchaser pursuant to this Article 9.

10. **Prohibited Transfers and Permitted Transfers**

10.1 Subject to Article 10.2 but otherwise notwithstanding any other provision of these Articles, no transfer of any Ordinary Share to a person who is not an existing Shareholder shall be registered unless:

10.1.1 the holders of 70% of the "A" Shares have given their prior written consent to such transfer (such consent not to be unreasonably withheld or delayed); and

10.1.2 the transferee (other than a third party purchaser named in a Bring Along Notice) has executed a Deed of Adherence to, and in the manner required by, the Shareholders Agreement.

10.2 Any holder of "A" Shares which is also a company may at any time transfer any of

the Shares held by it to a company which is either controlled by it (within the meaning of section 840 of the Income and Corporation Taxes Act 1988) or connected with it (within the meaning of section 839 Income and Corporation Taxes Act 1988) or which is either controlled by or connected with (as aforesaid) a member of the Trevor Hemmings family (being a parent, spouse, sibling or child of Trevor Hemmings). For the avoidance of doubt, the provisions of Article 6 shall not apply to a transfer of Shares permitted by this Article 10.2.

11. Information Concerning Shareholdings And Transfers

- 11.1 For the purpose of ensuring that no circumstances have arisen whereby a Transfer Notice is or may be required to be given hereunder, or to be satisfied that any proposed sale is bona fide and on the terms stated in the Transfer Notice with no rebate or allowances, the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in the transfer lodged for registration to furnish to the Company such information or evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such requirement being made, the Directors shall be entitled to refuse to register the transfer in question or (if no transfer is in question) to require by notice in writing that a Transfer Notice be given in accordance with Article 6 in respect of the Shares concerned.
- 11.2 In a case where the Directors have duly required a Transfer Notice to be given in respect of any Shares and such Transfer Notice is not duly given within a period of one month or such longer period as the Directors may allow for the purpose, such Transfer Notice shall be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the forgoing provisions of these Articles shall take effect accordingly.
- 11.3 From (and including) the date on which the Directors have duly required a Transfer Notice(s), all holders of Shares subject to such Transfer Notice(s) shall not transfer or encumber any of their Shares or any interest in their Shares (other than pursuant to such Transfer Notice(s)) until all proceedings pursuant to such Transfer Notice(s) have been finalised in accordance with these Articles.

12. Proceedings at General Meetings

- 12.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. One "A" Shareholder and one "B" Shareholder, present in person or by a duly appointed proxy, shall be a quorum for all purposes provided that where any meeting is adjourned for lack of a quorum the quorum at any adjourned meeting shall be one "A" Shareholder present as aforesaid. Regulation 41 of Table A shall be amended accordingly. A corporation being a member shall be deemed to be personally present if represented in accordance with the provisions of section 375 of the Act.
- 12.2 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 of Table A shall be

modified accordingly.

12.3 A resolution in writing executed or approved by telefax by or on behalf of the holders of all the issued Shares entitled to vote in relation to such resolution shall be as valid and effectual as if the same had been duly passed at a general meeting and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation, the resolution may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be modified accordingly.

12.4 The Chairman at any general meeting shall be an "A" Shareholder and shall be entitled to a second or casting vote.

13. **Directors**

13.1 The "A" Shareholders shall have the right to appoint and maintain in office four "A" Directors and to remove and replace any "A" Director nominated by them. Unless otherwise agreed in writing by the members, any such removal or appointment shall take effect on the lodgement of a notice in writing, signed by or on behalf of the holder of not less than 70% of the "A" Shares, to the secretary of the Company at its registered office or at a meeting of the Directors.

13.2 The "B" Shareholders shall have the right to appoint and maintain in office two "B" Directors and to remove and replace any "B" Director nominated by them. Unless otherwise agreed in writing by the members, any such removal or appointment shall take effect on the lodgement of a notice in writing, signed by or on behalf of the holder of not less than 75% of the "B" Shares, to the secretary of the Company at its registered office or at a meeting of the Directors.

13.3 Unless and until determined otherwise by general meeting of the Company the minimum number of directors shall be two and the maximum number of Directors shall be six.

13.4 The Directors shall not be subject to retirement by rotation. Regulations 73 to 75 and the last two sentences of Regulation 79 of Table A shall not apply and Regulations 76, 77, 78 and 80 of Table A shall be modified accordingly.

13.5 Without prejudice to the first sentence of Regulation 89 of Table A, a meeting of the Directors or of a committee of the Directors may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously; and the word "meeting" in these Articles shall be construed accordingly. Any such meeting shall be deemed to take place at the location of the Chairman or, if a Chairman has not been appointed, the location where the majority of Directors are present.

13.6 A resolution in writing signed (or approved by telefax) by all the Directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate Director need not also be

signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity. Regulation 93 of Table A shall not apply.

- 13.7 A director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company, provided that he has disclosed to the Directors the nature and extent of any material interest or duty. Regulation 94 of Table A shall be modified accordingly.
- 13.8 Regulation 89 of Table A shall not apply to the Company. The quorum for all meetings of the Directors shall be one "A" Director and one "B" Director, present either in person or by a duly appointed alternate, provided that where any meeting is adjourned for lack of a quorum the quorum at any adjourned meeting shall be one "A" Director present as aforesaid.
- 13.9 The chairman of the Board (who shall be an "A" Director nominated in accordance with Article 13.1 by the holders of not less than 70% of the "A" Shares) shall be entitled to a second and casting vote.

14. **Alternate Directors**

- 14.1 Any Director (other than an alternate Director) may at any time by writing under his hand and served on the Company at its registered office, or delivered at a meeting of the Directors, appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternate Director and may remove from office an alternate Director so appointed by him. The same person may be appointed as the alternate Director of more than one Director.

- 14.2 An alternate Director shall be entitled:-

14.2.1 to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, save that it shall not be necessary to give notice of such meeting to an alternate Director who is absent from the United Kingdom;

14.2.2 to attend, be counted in the quorum for and vote at any such meeting at which the Director appointing him is not personally present; and

14.2.3 generally at such meeting to perform all the functions of his appointor as a Director in his absence.

If an alternate Director is himself a Director or attends any such meeting as an alternate Director for more than one Director, then his voting rights shall be cumulative.

- 14.3 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but, if a Director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall

continue after his reappointment.

- 14.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.
- 14.5 An alternate Director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him, except in relation to matters in which he acted (or failed to act) on the direction or at the request of his appointor.
- 14.6 Save as otherwise provided in these Articles, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles. However, such an alternate Director shall owe the Company the same fiduciary duties and duty of care and skill in the performance of his office as are owed by a Director.
- 14.7 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as an alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- 14.8 Regulations 65 to 69 of Table A shall not apply to the Company.

15. **Indemnity**

- 15.1 Without prejudice to any indemnity to which such officer may otherwise be entitled, every Director, secretary or other officer of the Company shall be indemnified by the Company against all costs, charges, losses, expenses, and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Regulation 118 of Table A shall not apply.
- 15.2 The Company may purchase and maintain for any Director, secretary or other officer of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.