

Company No. 3678919

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

RESOLUTIONS

- of -

SOFTCARD SOLUTIONS LIMITED

Passed on 9th June 2000.

At the annual general meeting of the above-named Company duly convened and held at
on the above date the following resolutions were duly passed:

SPECIAL RESOLUTIONS

Conversion of shares to different class



- (i) "That each existing unissued 'A' ordinary share of £0.01 in the capital of the Company be converted into and redesignated as a 'B' ordinary share of £0.01 ranking pari passu with the existing 'B' ordinary shares of £0.01 each in the capital of the Company, and having the rights set out in the new articles of association of the Company to be adopted pursuant to resolution (ii) below."

Adoption of new articles

- (ii) "That articles of association in the form attached to this resolution and initialled for the purposes of identification be adopted as the articles of association of the Company in place of its existing articles of association."

.....
Company Secretary

**WE HEREBY CERTIFY THIS IS A TRUE
AND ACCURATE COPY OF THE ORIGINAL**

(290796.01)

Denton Wilde Sapte
DENTON WILDE SAPTE

1

UNIT A OF THE UNIVERSITY OF
JANUARY 1940 - JANUARY 1941

UNIT A OF THE UNIVERSITY OF

Company No. 3678919

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

SOFTCARD SOLUTIONS LIMITED

Incorporated 4th December 1998

Printed as in force at 9 June 2000

**Denton Wilde Sapte
Five Chancery Lane
Clifford's Inn
London EC4A 1BU
Fax: 0171-404-0087
Tel: 0171 242-1212**

The Companies Act 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

SOFTCARD SOLUTIONS LIMITED

**(Adopted by special resolution passed on 23 December, 1998)
(Amended by special resolution passed on 9 June 2000)**

PRELIMINARY

- 1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) Amendment Regulations 1985 ("Table A") shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these Articles, and such Regulations (save as so excluded or varied or inconsistent with these Articles) and these Articles shall be the Articles of Association of the Company.
- 1.2 Regulations 17, 24, 25, 29 to 31 (inclusive), 33, 40, 41, 44, 50, 64, 73 to 81 (inclusive), 84, 89, 91, 94 to 98 (inclusive) and 113 of Table A shall not apply to the Company.

INTERPRETATION

- 2.1 In these Articles the following words and expressions shall have the following meanings:

"Act": means the Companies Act 1985 (as amended or re-enacted at the date hereof);

"Associate": means in relation to a corporate body a subsidiary or holding company thereof or another subsidiary of any holding company thereof (and **"subsidiary"** and **"holding company"** shall have the meanings set out in Section 736 of the Act);

"the Auditors": the auditors of the Company from time to time;

"Director": a director of the Company;

"Employee Share Scheme": shall have the meaning set out in Section 743 Companies Act 1985;

"Family Trust" shall mean in relation to any Shareholder, trusts (whether arising under a settlement inter vivos or a testamentary disposition by whomsoever made or on an intestacy) under which no immediate beneficial interest in the Shares in question is for the time being vested in any person other than the Shareholder concerned or a privileged relation (as hereinafter defined) of such Shareholder and no power or control over the voting powers conferred by such Shares is for the time being exercisable by or subject to the consent of any person other than the trustees as trustees for the Shareholder concerned or a privileged relation (as hereinafter defined) of such Shareholder;

"Shares": all or any shares in the capital of the Company (as the context may require);

"Shareholder": the holder of any Shares;

- 2.2 Unless the context otherwise requires, references in these Articles to statutory provisions shall be construed as referring to those provisions as amended or re-enacted and from time to time in force.

SHARE CAPITAL

- 3.1 The authorised share capital of the Company at the date of adoption of these Articles is £20,000 divided into 600,000 "A" ordinary shares of 1p each ("the "A" Shares"), 1,100,000 "B" ordinary shares of 1p each ("the "B" Shares") and 300,000 "C" ordinary shares of 1p each ("the "C" Shares").
- 3.2 The "A" Shares, the "B" Shares and the "C" Shares shall rank pari passu in all respects, save only as otherwise expressly provided by Clause 3.3 and Clause 4 of these Articles.
- 3.3 (a) subject as provided in (b) and (c) below whether on a show of hands or on a poll, every holder of "A" Shares or "B" Shares who is present in person (which expression shall, for the purposes of this Article, include a person present as a duly authorised representative of a corporate member acting in such capacity) or by proxy shall have one vote for each "A" Share or "B" Share of which for the time being he is the holder. The "C" Shares shall carry no voting rights;
- (b) (i) for so long as any holder of Shares (alone or together with any holder who is or would be a Permitted Transferee (as defined in Article 4.3) holds more than 20% but less than 50% in the nominal value of the aggregate of the "A" Shares and the "B" Shares then in issue that holder of such Shares shall be entitled, by notice in writing to the Company, to appoint one person to be a

Director and to remove and replace any such appointee;

(ii) for so long as any holder of "A" Shares (alone or together with any holder who is or would be a Permitted Transferee (as defined in Article 4.3) holds a majority in nominal value of the "A" Shares then in issue that holder of "A" Shares shall be entitled to appoint such number of Directors as shall result in such holder having appointed a majority of the Directors.

(iii) any holder of Shares who shall cease to be entitled to appoint a Director or Directors pursuant to this Article, shall forthwith procure the resignation of any Director or Directors so appointed pursuant to this Article. On any resolution to remove a Director appointed by a holder of "A" Shares, other than pursuant to this Article, the holders of the "A" Shares shall be entitled to exercise 100 votes for each "A" Share held;

- (c) the holders of "A" Shares shall be entitled, by simple majority, to appoint the Chief Executive Officer of the Company subject to the approval of the Board, such approval not to be unreasonably withheld or delayed.
- (d) in the event that at any time following a transfer to which Article 4.22 applies, the number of "A" Shares is equal to or less than 139,000 in number, then all such "A" Shares shall be automatically converted into "B" Shares and shall rank *pari passu* in all respects with the "B" Shares then in issue.

3.4 Subject to Article 3.3, for the purposes of Section 80 of the Act, the directors shall have general and unconditional authority (limited in time as hereinafter provided) to allot any relevant securities up to the maximum amount hereinafter laid down. The maximum amount of relevant securities which may be allotted under the authority hereby conferred shall be that amount which would result in the issue of all the shares in the Company for the time being unissued. The authority hereby conferred shall expire five years after the date of the adoption of this Article unless renewed varied or revoked by ordinary resolution of the Company in general meeting at any time.

3.5 For the purposes of Section 80(7) of the Act the Company may prior to the expiry of the authority conferred by Article 3.4 or any variation or renewal of such authority make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the authority so conferred shall be construed accordingly and the directors may allot relevant securities notwithstanding that the authority so conferred has expired.

3.6 Save as otherwise provided in these Articles all unissued shares which the directors are authorised (by these Articles or otherwise) to allot shall be under the control of the directors who may allot, grant options over, offer or otherwise deal with or dispose of them to such persons, at such times and generally on such terms and conditions and in such manner as they may determine and in

accordance with Section 91 of the Act the provisions of Sections 89(1) and 90(1) to 90(6) of the Act shall be excluded.

- 3.7 In this Article "relevant securities" shall have the meaning ascribed thereto in Section 80(2) of the Act and references to the allotment of relevant securities shall be construed in the same manner as in that Section.

TRANSFER OF SHARES

- 4.1 Subject to the terms on which any Shares are issued and other than in accordance with the provisions of these Articles, no Shareholder shall:

- (a) pledge, charge, mortgage (whether by way of fixed or floating charge) or otherwise encumber its legal or beneficial interest in any Shares held by that Shareholder; or
- (b) sell, transfer or otherwise dispose of any legal and/or beneficial interest in any Shares held by that Shareholder.

- 4.2 Any transfer or purported transfer of any Share made otherwise than in accordance with these Articles shall be void and of no effect and the Directors shall refuse to register that transfer.

- 4.3 A Shareholder may at any time transfer all or any of those Shares held by that Shareholder or any beneficial interest in those Shares:

- (a) where that Shareholder is an individual, to his spouse, parent, brother, sister or any other lineal descendent of that Shareholder or spouse, parent, brother, sister or to the spouse of any such person (a "**Privileged Relation**") or to trustees to be held upon Family Trust (in which case the transferring Shareholder shall be a "**Permitted Transferor**" and the transferee a "**Permitted Transferee**"); or
- (b) where that Shareholder is a corporate entity, to any of its Associates;

always provided that in the event that any transferee under this paragraph ceases to be a Privileged Relation or Associate (as the case may be) of the transferring Shareholder that the transferee shall immediately transfer the Shares to the original transferor or to another Privileged Relation or Associate of the original transferor.

- 4.4 Subject to the provisions of Article 4.3 and except as otherwise provided in these Articles, no Share in the Company nor any beneficial interest therein shall be transferred otherwise than in accordance with Articles 4.5 to 4.15 (inclusive).

- 4.5 Any Shareholder (the "**Vendor**") proposing to transfer all or any of its Shares or the beneficial interest in those Shares shall give notice in writing (the "**Transfer**

Notice") to the Company specifying:

- (a) the number and class of Shares which the Shareholder desires to sell or transfer (the "**Sale Shares**");
- (b) whether or not the proposed sale or transfer is conditional on all of the Shares comprised in the Transfer Notice being sold or transferred (a "**Total Transfer Condition**"). In the absence of any such stipulation in the Transfer Notice or in any case where a Transfer Notice shall be deemed to have been given pursuant to these Articles, such Transfer Notice shall be deemed not to include a Total Transfer Condition; and
- (c) in any case where the Vendor shall have reached an agreement or arrangement with a third party for the sale of the Sale Shares to the third party, the identity of the third party and the price per Sale Share at which the Sale Shares are proposed to be sold to that third party.

4.6 The Transfer Notice shall constitute the Company the agent of the Vendor for the sale of the Sale Shares in accordance with the provisions of these Articles on terms that the Sale Shares shall be sold with full title guarantee free from all mortgages, charges, pledges, liens and other encumbrances and together with all rights and benefits attaching to the Shares at a price per Sale Share (the "**Transfer Price**") being:

- (a) in any case where the Vendor shall have reached an agreement or arrangement with a third party for the sale of the Sale Shares to that third party, the price per Sale Share specified in the Transfer Notice; or
- (b) in any other case (except as described in (c) below), the price per Sale Share at which the Vendor is prepared to transfer the Sale Shares.

4.7 A Transfer Notice shall relate to only one class of Shares and once given shall not be revocable except with the consent of the Directors.

4.8 The Company shall within 7 days of the receipt of a Transfer Notice give notice in writing (the "**Offer Notice**") to the relevant Shareholders of the Company, (as specified below), informing them that the Sale Shares are available for purchase in accordance with the provisions of these Articles and of the Transfer Price. Each Offer Notice shall invite each relevant Shareholder to state in writing within 30 days from the date of the Offer Notice whether that Shareholder is willing to purchase any and, if so, how many of the Sale Shares.

4.9 The Sale Shares shall be offered to the following parties (the "**Offerees**") as follows:

- (a) if the Sale Shares are "A" Shares or "B" Shares to each Shareholder of the

Company (other than the Vendor or any other Shareholder who has served or who is deemed to have served a Transfer Notice which is still outstanding) who are holders of "A" Shares or "B" Shares; or

- (b) if the Sale Shares are "C" Shares, to the Trustees of the Employee Shares Scheme (if any) or to such employee or employees of the Company or subsidiary of the Company and in such proportions as the directors shall determine.

4.10 If any or several of the Offerees shall within the period specified in an Offer Notice apply for all or any of the Sale Shares, then:

- (a) if the total number of Sale Shares applied for is equal to the number of the Sale Shares comprised in the Transfer Notice, the Directors shall allocate the number applied for in accordance with the applications made; or
- (b) if the total number of Shares applied for is more than the number of Sale Shares comprised in the Transfer Notice, the allocation of the Shares as between the applicants shall in the case of "A" Shares or "B" Shares be in proportion (as nearly as may be) to their existing holdings of Shares (which proportion shall mean their holding of "A" or "B" Shares as a percentage of all issued "A" and "B" Shares), or in the case of "C" Shares shall be at the discretion of the directors;

and in either case the Company shall immediately give notice of each allocation (an "**Allocation Notice**") to the Vendor and the Offerees who have agreed to purchase the Shares (each a "**Purchasing Member**") and shall specify in the Allocation Notice the place and time (being not later than 7 days after the date of the Allocation Notice) at which the sale of the Shares comprised in the Transfer Notice shall be completed.

4.11 On each allocation being made, the Vendor shall be bound, on payment of the aggregate Transfer Price for all the Sale Shares, to transfer the Shares comprised in the Allocation Notice to the Purchasing Member or Members named in the Allocation Notice at the time and place specified in that Allocation Notice.

4.12 If the Vendor shall fail to comply with Article 4.11, the Chairman of the Board shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute, complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Shares to the Purchasing Member or Members. The Directors may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being stamped) enter the name of each Purchasing Member in the register of Shareholders as the holder by transfer of the Shares purchased. The Directors shall immediately pay the purchase money into a separate bank account in the Company's name and the Company shall hold the monies in trust for the Vendor until it shall deliver up its certificate for the relevant Shares to the Company. On delivery of the certificate it shall be paid the purchase monies. The Company shall have no liability to pay or account for any

interest.

- 4.13 If the Vendor shall have included in the Transfer Notice a Total Transfer Condition, then if the total number of Sale Shares applied for under this Article is less than the total number of Sale Shares comprised in the Transfer Notice, the Vendor shall not be obliged to transfer any of the Shares to any Purchasing Member but may, at the Vendor's discretion, require any Purchasing Member to purchase at the Transfer Price such number of Shares as that Purchasing Member offered to purchase.
- 4.14 If all the Sale Shares comprised in the Transfer Notice are not sold under the preceding paragraphs of this Article, the Vendor may at any time within 3 months after receiving confirmation from the Company that this is the case, transfer the Sale Shares comprised in the Transfer Notice to any person or persons at any price not less than the Transfer Price, provided that if the Transfer Notice shall have included a Total Transfer Condition any such sale shall only be permitted if it comprises all the Sale Shares.
- 4.15 Forthwith on any Transfer of "A" Shares other than to a Permitted Transferee or to another holder of "A" Shares, the "A" Shares so transferred shall be redesignated as, and have the same rights thereafter as "B" Shares.

PURCHASE OF OWN SHARES

5. In Regulation 35 of Table A the words "if it is a private company" shall be omitted and Regulation 35 modified accordingly.

PROCEEDINGS AT GENERAL MEETINGS

- 6.1 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. Two members personally present, being the holder of or representative of the holder of Shares shall be a quorum for all purposes provided that such members shall represent not less than 51 (fifty one) % in nominal value of the "A" and "B" Shares then in issue.
- 6.2 The chairman shall not have a second or casting vote at any meeting of the Company.
- 6.3 If a quorum is not present within half an hour for the time appointed for a meeting the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time and place as the directors may determine; and if at the adjourned meeting a quorum is not present within half an hour from the time appointed therefor such adjourned meeting shall be dissolved.

VOTES OF MEMBERS

- 7.1 The following sentence shall be added at the end of regulation 59 of Table A:

"A proxy need not be a member of the Company."

- 7.2. A poll may be demanded at any general meeting by the chairman or by any member present in person and entitled to vote. Regulation 46 of Table A shall be modified accordingly.

NUMBER OF DIRECTORS

8. Unless and until otherwise determined by the Company by ordinary resolution, the Directors shall be not less than two in number. A director may be an individual or a body corporate.

ALTERNATE DIRECTORS

- 9.1 A director or any other person as is mentioned in Regulation 65 may act as an alternate director to represent more than one director and an alternate director shall be entitled at any meeting of the directors or any committee of directors to one vote for every director whom he represents in addition to his own vote (if any) as director, but he shall count as only one for the purposes of determining whether a quorum is present. In regulation 65 of Table A the words "approved by resolution of the directors" shall be omitted.
- 9.2. In regulation 67 of Table A all words after "his appointor ceases to be a director" shall be omitted.

POWERS AND DUTIES OF DIRECTORS

10. Subject to Article 11.2, a director may vote at any meeting of directors or any committee of directors on any resolutions notwithstanding that it in anyway concerns or relates to a matter in which he has an interest, directly or indirectly, of any kind whatsoever and shall be counted in the quorum present at the meeting notwithstanding such interest.

DIRECTORS HOLDING EXECUTIVE OFFICE

- 11.1 The directors may by simple majority appoint any one or more of their body to hold any executive office (for example Chief Executive, Chief Financial Officer, Chief Operating Officer) for such period and on such terms and with or without such title or titles as they think fit. A director holding any such office (whether appointed as aforesaid or otherwise) shall (subject to the terms of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other directors of the Company and if he shall

vacate the office of director or (subject as aforesaid) if the directors resolve that his term of office as holder of such executive office as aforesaid be determined, his appointment as such shall ipso facto determine but without prejudice to any claim for damages for breach of contract of service between the director and the Company.

- 11.2 A director appointed to any such office shall receive such remuneration (whether by way of salary, commission, participation in profits, provision for retirement or insurance benefit, or partly in one way and partly in another, or otherwise) as the directors may determine PROVIDED THAT notwithstanding Article 10 no director shall be permitted to vote on any resolution to approve his remuneration

APPOINTMENT AND DISQUALIFICATION OF DIRECTORS

- 12.1 Without prejudice to Article 3.3, the directors shall have power at any time and from time to time to appoint (by unanimous decision) any person (or to remove by simple majority) to be a director either to fill a casual vacancy or as an addition to the existing Directors. Any director so appointed shall (subject to the other provisions of these Articles) hold office until he is removed pursuant to this Article.

- 12.2 The office of a director shall be vacated:

- (a) if by notice in writing to the Company he resigns the office of director; or
- (b) if he is prohibited from being a director by an order made under any provision of the Act.
- (c) if save where Article 3.3 applies, the holder or holders of a majority in nominal value of such part of the issued share capital of the Company as confers the right for the time being to attend and vote at General Meetings of the Company, by memorandum in writing signed by or on behalf of him or them and left at or sent to the registered office of the Company remove a director from office.
- (d) by the Directors pursuant to Article 12.1 above.

- 12.3 No director shall vacate or be required to vacate his office as a director on or by reason of his attaining or having attained the age of 70 or any other age and any director or any person may be re-appointed or appointed, as the case may be, as a director notwithstanding that he had then attained the age of 70, and no special notice need be given of any resolution for the re-appointment or appointment or approval of the appointment of a director at any age and it shall not be necessary to give the Members of the Company notice of the age of any director or person proposed to be so re-appointed or appointed. Sub-sections (1) to (6) inclusive of Section 293 of the Act shall not apply to the Company

PROCEEDINGS OF DIRECTORS

- 13.1 The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and manner of dispatching business as they think fit. Two directors shall be a quorum provided that, save where no such appointment has been made, there shall be present one director (or his alternate) appointed pursuant to Article 3.3(b)(ii).
- 13.2 Any director for the time being absent from the United Kingdom may supply to the Company an address and/or facsimile transmission number whether or not within the United Kingdom to which notices of meetings of the directors may be sent and shall then be entitled to receive at such address or number notice of such meetings. Regulation 88 of Table A shall be modified accordingly.
- 13.3 A meeting of the directors may be validly held notwithstanding that all of the directors are not present at the same place and at the same time provided that:
- (a) a quorum of the directors at the time of the meeting are in direct communication with each other whether by way of telephone, audio visual link or other form of telecommunication; and
 - (b) a quorum of the directors entitled to attend a meeting of the directors agree to the holding of the meeting in the manner described herein.

GRATUITIES AND PENSIONS

14. The directors may provide benefits whether by payment of gratuities or pensions or by insurance or otherwise, to or to any person in respect of any director or employee or former director or employee who may hold or may have held any executive or other office or employment under the Company or any body corporate which is or has been a subsidiary or holding company of the Company or any other subsidiary of a holding company of the Company or a predecessor in business of the Company or of any such other company and for the purpose of providing any such benefits may contribute to any scheme or fund and may make payments towards insurances or trusts for the purchase or provision of any such benefit in respect of such persons. Regulation 87 of Table A shall not apply to the Company.

SEAL

15. At the end of Regulation 101 of Table A shall be added the words:
- "(a) Any instrument signed by one director and the Secretary or by two directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal.

- (b) No instrument shall be signed pursuant to Regulation 101(a) which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of the directors or of a committee authorised by the directors in that behalf."

NOTICES

- 16.1 Notice of every General Meeting of the Company shall be given by letter or facsimile transmission and shall be given to every Member of the Company, subject in the case of members whose registered addresses are outside the United Kingdom to their having given the Company an address or facsimile number accordingly. Regulation 112 of Table A shall be modified accordingly.
- 16.2 There shall be substituted for the last sentence of Regulation 115 of Table A, the words "A notice shall be deemed to be given, if posted by prepaid mail, at the expiration of 48 hours from the time when the envelope containing the same is posted or in the case of overseas posting, 120 hours after posting, and if sent by hand delivery when left at the relevant address and if facsimile transmission, when transmitted."

INDEMNITY INSURANCE

17. Without prejudice to the provisions of Regulation 118 of Table A the directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, or employees or auditors of the Company, or of any other company which is its holding company or parent undertaking or in which the Company or such holding company or parent undertaking or any of the predecessors of the Company or of such holding company or parent undertaking has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund. For the purposes of this Regulation "holding company" "parent undertaking" and "subsidiary undertaking" shall have the same meanings as in the Companies Acts 1985 to 1989.