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COMPANIES HOUSE

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COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

COMPUTER PATENT ANNUITIES INTERNATIONAL LIMITED

PRELIMINARY

- 1.1 The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company save in so far as they are hereby modified or excluded.
- 1.2 Regulations 8, 24, 73 to 80 and 118 of Table A shall not apply to the Company.
- 2 The Company is a private company and accordingly no offer shall be made to the public (whether for cash or otherwise) of any shares in or debentures of the Company and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

SHARES

- 3 \* The share capital of the Company is £1,000 divided into 1,000 Ordinary Shares of £1 each.
- 4.1 The Directors may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of Section 80(2) of the Act).
- 4.2 The general authority conferred by this Article shall:-
  - 4.2.1 extend to all relevant securities of the Company created but unissued at the date of these Articles;
  - 4.2.2 expire on the fifth anniversary of the incorporation of the Company unless varied or revoked or renewed by the Company in General Meeting; and
  - 4.2.3 entitle the Directors to make at any time before the expiry of such authority any offer or agreement which will or may require relevant securities to be allotted after the expiry thereof.
- 4 Subject to and without prejudice to the generality of the provisions of Article 4 any shares unissued at the date of the adoption of this Article and any shares hereafter created shall be under control of the Directors who may allot, grant options over or otherwise deal with or dispose of the same to such persons (including the Directors themselves) on such terms and in such manner as they think fit, provided that no shares shall be issued at a discount.

- 5 In accordance with Section 91(1) of the Act, Sections 89(1) and 90(1) to (6) inclusive of the Act shall be excluded from applying to the Company.

#### CALLS OF SHARES

- 6 The following sentence shall be added to the end of regulation 15 of Table A: "such persons shall also pay to the Company all expenses that may have been incurred by the Company by reason of such non-payment".

#### TRANSFER OF SHARES

- 7 Notwithstanding anything contained in these articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration of any shares where such transfer is executed by any person to whom such shares have been charged by way of security, or by a nominee of any such person, pursuant to a power of sale under security, and a certificate by any such person or employee of any such person that the shares were so charged and the transfer was so executed shall be conclusive evidence of such facts."

#### TRANSMISSION OF SHARES

- 8 A person becoming entitled to a share by reason of the death or bankruptcy of a member shall not, before being registered as a member in respect of the share, be entitled to receive a copy of any balance sheet (or other document required by law to be annexed thereto) or any notice of a General Meeting, and regulations 31 and 38 of Table A shall be modified accordingly.

#### GENERAL MEETINGS AND RESOLUTIONS

- 9.1 Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.
- 9.2 No business shall be transacted at any General Meeting of the Company unless a quorum is present. Subject to article 10.4 below two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.
- 9.3 There shall be added to the last sentence of regulation 41 of Table A the words "and if at the adjourned Meeting a quorum is not present within fifteen minutes after the time appointed for the Meeting, one person entitled to be counted in a quorum present at the Meeting shall be a quorum.
- 9.4 If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to sections 303 and 391 of the Act.
- 9.5 Any decision taken by a sole Member pursuant to article 10.4 above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.



- 9.6 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.

#### VOTES OF MEMBERS

- 10 A proxy shall be entitled to vote on a show of hands and regulation 54 of Table A shall be modified accordingly.

#### DIRECTORS

- 11.1 The number of Directors shall be not less than one. If and so long as there is a sole Director, he may exercise all the powers and authorities vested in the Directors by these Articles or Table A. Regulations 64 and 89 of Table A shall be modified accordingly.
- 11.2 The Directors shall not be liable to retire by rotation.
- 11.3 A Director shall not be required to hold any share qualification.
- 12.1 The Company may by Ordinary Resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.
- 12.2 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, provided that the maximum number of Directors (if there be any maximum) is not exceeded.
- 12.3 Any director may appoint any other person, whether a director or not, willing to act, as an alternate director and may remove from office an alternate director so appointed by him and regulation 65 of Table A shall not apply to the Company.
- 13 Unless otherwise restricted by these Articles all or any of the Directors or members of a committee of the Directors may participate in and vote at a meeting of the Directors or such committee by conference telephone, video conference or similar communications equipment by means of which all persons participating in the meeting can hear and be heard by each other and such participation shall constitute presence in person at the meeting, and any such meeting shall be deemed to be held at such place as the directors shall at said meeting resolve. In the absence of any such resolution, the meeting shall be deemed to be held at the place, if any, where a majority of the directors attending the meeting are physically present, or in the absence of such a majority, the place at which the chairman of the meeting is physically present.

#### POWERS AND DUTIES OF DIRECTORS

- 14 Subject to the provisions of Section 317 of the Act, a Director may vote on any contract or arrangement in which he is interested and on any matter arising therefrom and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration. Regulations 94 and 95 of Table A shall be modified accordingly.

#### APPOINTMENT AND DISQUALIFICATION OF DIRECTORS

- 15 Without prejudice on the powers of the Company under Section 303 of the Act to remove a Director by Ordinary Resolution, the holder or holders for the time being of more than one half of the issued Ordinary Shares of the Company shall have the power from time to time and at any time to appoint any person or persons as a Director or Directors either as additional Directors or to fill any vacancy and to remove from office

any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members making the same or in the case of a member being a company signed on its behalf by one of its Directors and shall take effect upon lodgement at the registered office of the Company.

#### INDEMNITY

- 16.1 Subject to the provisions of and so far as may be consistent with the Act, every Director or other officer or Auditor of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers and office.
- 16.2 The Directors shall have the power to purchase and maintain for any Director, officer or Auditor of the Company insurance against such liability as referred to in section 310(1) of the Act.