

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY**

Company No. 4575555

The Registrar of Companies for England and Wales hereby certifies that
ORTHOCAD LIMITED

is this day incorporated under the Companies Act 1985 as a private
company and that the company is limited.

Given at Companies House, Cardiff, the 29th October 2002



N04575555N



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House
— for the record —

HC007B



Companies House

for the record

12

Please complete in typescript,
or in bold black capitals.

CHWP000

Declaration on application for registration

4575555

Company Name in full

ORTHOCAD LIMITED

I, David Charles Maxwell Kennedy

of 35/47 North Church Street Sheffield S1 2DH

† Please delete as appropriate.

£

do solemnly and sincerely declare that I am a † [Solicitor engaged in the formation of the company] ~~person named as director or secretary of the company in the statement delivered to the Registrar under section 10 of the Companies Act 1985~~ and that all the requirements of the Companies Act 1985 in respect of the registration of the above company and of matters precedent and incidental to it have been complied with.

And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835.

Declarant's signature

David Charles Maxwell Kennedy

Declared at

122 Queen Street, Sheffield, S1 2QD £

Day Month Year

On

21 10 2002

• Please print name.

before me •

Simon John Lockley

Signed

Lockley

Date

21-10-02

† A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

Please give the name, address, telephone number and, if available, a DX number and Exchange of the person Companies House should contact if there is an

AMS Law 35/47 North Church Street
Sheffield S1 2DH

Tel 0114 2752888

DX number 10545 DX exchange Sheffield



A36
COMPANIES HOUSE

A7SEVFC9

0160
25/10/02

1 (PROMPTLY) THREE MONTHS WITHIN MUST BE RETURNED TO THE REGISTRAR OF COMPANIES
A4J8DF9Y

A18
COMPANIES HOUSE

0139
22/10/02

Form revised June 1998

When you have completed and signed the form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff
or
for companies registered in England and Wales

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB
for companies registered in Scotland

DX 235 Edinburgh



Companies House

for the record

10

Please complete in typescript,
or in bold black capitals.

CHWP000

Notes on completion appear on final page

**First directors and secretary and intended situation of
registered office**

Company Name in full

ORTHOCAD LIMITED

Proposed Registered Office

(PO Box numbers only, are not acceptable)

Springwood House, Foxwood Way

Sheepbridge

Post town

Chesterfield

County / Region

Derbyshire

Postcode

S41 9RN

If the memorandum is delivered by an agent
for the subscriber(s) of the memorandum
mark the box opposite and give the agent's
name and address.

X

Agent's Name

AMS Law

Address

35/47 North Church Street

Post town

Sheffield

County / Region

South Yorkshire

Postcode

S1 2DH

Number of continuation sheets attached

Please give the name, address,
telephone number and, if available,
a DX number and Exchange of
the person Companies House should
contact if there is any query.

AMS Law 35.47 North Church Street
Sheffield S1 2DH

Tel 0114 2752888

DX number 10545

DX exchange Sheffield



A36
COMPANIES HOUSE
A18
COMPANIES HOUSE
A79EUFCS
0161
25/10/02
0138
22/10/02

Form revised July 1998

When you have completed and signed the form please send it to the
registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff
for companies registered in England and Wales

or

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB

for companies registered in Scotland

DX 235 Edinburgh

Company Secretary (see notes 1-5)

| | | | |
|---------------------------------------------------------------------------------------------------------|---------------------------|-------------------|-----------------|
| Company name | | ORTHOCAD LIMITED | |
| NAME | *Style / Title | Mrs | *Honours etc |
| * Voluntary details | Forename(s) | Barbara Christine | |
| | Surname | Lacey | |
| | Previous forename(s) | | |
| | Previous surname(s) | Rodgers | |
| Address | 26 Little Matlock Gardens | | |
| Usual residential address For a corporation, give the registered or principal office address. | Stannington | | |
| | Post town | Sheffield | |
| | County / Region | South Yorkshire | Postcode S6 6FW |
| | Country | England | |
| I consent to act as secretary of the company named on page 1 | | | |
| Consent signature | | B. C Lacey | Date 21.10.2002 |

Directors (see notes 1-5)

Please list directors in alphabetical order

| | | | |
|---------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------|------------------|
| NAME | *Style / Title | Mr | *Honours etc |
| | Forename(s) | BERNARD MARTIN | |
| | Surname | CREWDSON | |
| | Previous forename(s) | | |
| | Previous surname(s) | | |
| Address | Springwood House, Cowley Lane, | | |
| Usual residential address For a corporation, give the registered or principal office address. | Holmesfield | | |
| | Post town | Sheffield | |
| | County / Region | Derbyshire | Postcode S18 7SD |
| | Country | England | |
| Date of birth | Day | Month | Year |
| | 2 | 5 | 0 |
| | 2 | 1 | 9 |
| | 6 | 1 | |
| | Nationality | | British |
| Business occupation | Company Director | | |
| Other directorships | Bar Uno Ltd, Talar-Made Orthotics Ltd | | |
| | Crewdson Holdings Ltd Peak Country Cottages Ltd | | |
| I consent to act as director of the company named on page 1 | | | |
| Consent signature | | | Date 21.10.2002 |

Company Secretary (see notes 1-5)**Form 10 Continuation Sheet**

CHWP000

Company name **ORTHOCAD LIMITED****NAME** *Style / Title

*Honours

* Voluntary details

Forename(s)

Surname

Previous forename(s)

Previous surname(s)

Address**Usual residential address**

For a corporation, give the registered or principal office address.

Post town

County / Region

Postcode

Country

I consent to act as secretary of the company named on page 1

Consent signature**Date****Directors** (see notes 1-5)

Please list directors in alphabetical order

NAME *Style / Title**MRS**

*Honours etc

Forename(s)

BARBARA CHRISTINE

Surname

LACEY

Previous forename(s)

Previous surname(s)

RODGERS**Address****26 Little Matlock Gardens****Usual residential address**

For a corporation, give the registered or principal office address.

Post town

Stannington**Sheffield**

County / Region

South Yorkshire

Postcode

S6 6FW

Country

England

Day Month Year

Date of birth**3 0 0 1 1 9 4 7****Nationality** **British****Business occupation****Company Secretary****Other directorships**

I consent to act as director of the company named on page 1

Consent signature**B. Chacey****Date****21.10.2002**

Company Secretary (see notes 1-5)**Form 10 Continuation Sheet**

CHWP000

Company name **ORTHOCAD LIMITED****NAME** *Style / Title

*Honours

* Voluntary details

Forename(s)

Surname

Previous forename(s)

Previous surname(s)

Address**Usual residential address**

For a corporation, give the registered or principal office address.

Post town

County / Region

Postcode

Country

I consent to act as secretary of the company named on page 1

Consent signature**Date****Directors** (see notes 1-5)

Please list directors in alphabetical order

NAME *Style / Title

*Honours etc

Forename(s)

Surname

Previous forename(s)

Previous surname(s)

Address**Usual residential address**

For a corporation, give the registered or principal office address.

Post town

County / Region

Postcode

Country

Day Month Year

Date of birth

2 0 1 1 1 9 6 4

Nationality British**Business occupation**

Company Director

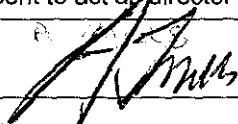
Other directorships

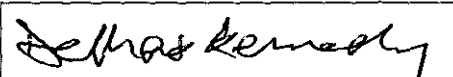
I consent to act as director of the company named on page 1

Consent signature**Date**

21.10.2002

Directors (continued) (see notes 1-5)

| | | | | |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------|---------------------|------------|
| NAME | *Style / Title | MR | *Honours etc | |
| * Voluntary details | Forename(s) | ANDREW | | |
| | Surname | MILLS | | |
| | Previous forename(s) | | | |
| | Previous surname(s) | | | |
| Address | 148 Totley Brook Road | | | |
| Usual residential address | Dore | | | |
| For a corporation, give the registered or principal office address. | Post town | Sheffield | | |
| | County / Region | South Yorkshire | Postcode | S17 3QU |
| | Country | England | | |
| | Date of birth | Day 1 4 0 2 1 9 6 0 | Nationality | British |
| | Business occupation | Company Director | | |
| | Other directorships | The Spine Corporation Limited | | |
| | | | | |
| | I consent to act as director of the company named on page 1 | | | |
| Consent signature |  | | Date | 21.10.2002 |

This section must be signed by**Either****an agent on behalf
of all subscribers****Signed****Date**

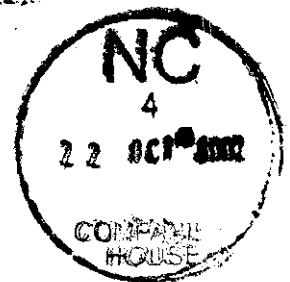
21.10.2002

Or the subscribers**Signed****Date****(i.e those who signed
as members on the
memorandum of
association).****Signed****Date****Signed****Date****Signed****Date****Signed****Date****Signed****Date**

013856

028095

THE COMPANIES ACT 1985
A PRIVATE COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
ORTHOCAD LIMITED



- 1 The name of the company is Orthocad Limited.
- 2 The registered office of the company is situate in England and Wales.
- 3 The objects for which the company is established are:
 - 3.1 to carry on all or any of the businesses of manufacture and supply of orthopaedic and other medical products;
 - 3.2 to carry on any other business which may in the opinion of the directors be conveniently carried on by the company;
 - 3.3 to pay all costs, charges and expenses incurred in connection with the promotion establishment and incorporation of the company, including the cost of advertising, commissions for underwriting, brokerage, printing and stationery;
 - 3.4 to employ brokers, commission agents and underwriters upon any issue of shares, debentures or other securities of the company and to provide for the remuneration for their services in cash, or by the issue of shares, debentures or other securities of the company, or by the grant of options to take the same, or in any other manner allowed by law;



10/10/10

10/10/10

- 3.5 to purchase or otherwise acquire all or any part of the business, property and liabilities of any company, society, partnership or person, and to conduct and carry on or liquidate any such business;
- 3.6 to purchase, take on lease or otherwise acquire for the purposes of the company any estates, lands, buildings, easements or other interests in real estate and to sell, let or otherwise dispose of or grant rights over any real property belonging to the company;
- 3.7 to purchase or otherwise acquire, construct, equip, maintain and adapt any premises and other installations and any plant, machinery and other things which may seem necessary or convenient for the purposes of the company;
- 3.8 to apply for and take out, purchase or otherwise acquire any designs, trade marks, patents, patent rights or inventions, copyright or secret processes, and to grant licences to use the same;
- 3.9 to manufacture, buy, sell and generally deal in any plant, machinery, tools, goods or things of any description;
- 3.10 to let on lease or on hire the whole or any part of the real and personal property of the company on such terms as the company may determine;
- 3.11 to issue, or guarantee the issue of, or the payment of interest on, the shares, debentures, debenture stock or other securities or obligations of any company or association, and to pay or provide for brokerage, commission and underwriting in respect of any such issue;
- 3.12 to draw, accept and make, and to indorse, discount and negotiate, bills of exchange and promissory notes and other negotiable instruments;
- 3.13 to receive money on deposit at interest or otherwise;

- 3.14 to lend or procure the advance of money with or without security;
- 3.15 to invest the money of the company in such manner as may be determined;
- 3.16 to acquire by subscription, purchase or otherwise, and to hold and sell, shares or stock in any company, society or undertaking;
- 3.17 to establish agencies (and local boards) in Great Britain and elsewhere, and to regulate and discontinue the same;
- 3.18 to provide for the welfare of persons in or formerly in the employment of the company or its predecessors in business, and the dependants of such persons, by grants of money, the establishment of pension schemes and benevolent funds or otherwise; and to subscribe to or otherwise aid charitable, benevolent, scientific, national or other institutions or objects, which shall have any claims to support or aid from the company by reason of the nature or locality of its operations or otherwise;
- 3.19 to establish and maintain any non-contributory or contributory pension life assurance or superannuated funds for the benefit of, and pay or provide donations, gratuities, pensions and allowances to, present and former directors and employees of the company or of any other company in which it is interested, or any other persons in whose welfare the company or any such other company is or has been interested, and the wives, widows, families and dependants of any such persons, and to make payments for or towards the insurance of any such persons, and to do any of these things either alone or in conjunction with or through any other company.
- 3.20 to borrow and raise money and to secure the payment of money in such manner and on such terms as may in the opinion of the directors seem expedient and in particular by the issue of debentures or debenture stock whether charged upon

the whole or any part of the property and rights of the company both present and future including any uncalled capital;

- 3.21 to sponsor or subsidise any cultural or sporting event, performance or exhibition;
- 3.22 to enter into and carry into effect any arrangement for joint working or profit-sharing, or for amalgamation, with any other company, or any partnership or person, carrying on business within or calculated to promote the objects of this company;
- 3.23 to establish, promote and otherwise assist any company or companies for the purpose of acquiring any of the property or furthering any of the objects of this company;
- 3.24 to acquire controlling or other interests in any companies, and to subsidise any company in which this company may be interested;
- 3.25 to sell, dispose of, or transfer the business, property and undertaking of the company, or any part thereof, for any consideration;
- 3.26 to accept stock or shares in, or the debentures or other securities of, any other company in payment or part payment for any services rendered or for any sale made to or debt owing from any such company;
- 3.27 to do all or any of the above things (in any part of the world) either alone or in conjunction with, or as factors, trustees or agents for, any other companies or persons, or by or through any factors, trustees or agents;
- 3.28 generally to do all such other things as may appear to the company to be incidental or conducive to the attainment of the above objects or any of them;
- 3.29 without prejudice to any of the foregoing objects to carry on business as a general commercial company to the intent that the objects and powers conferred

upon a company with such object pursuant to Section 3A of the Companies Act
1985 shall apply to the company;

AND so that each of the objects specified in the paragraphs of this clause shall be regarded as independent objects and shall not in any way be limited or restricted by reference to or subject to interference from the terms of any other paragraph, but may be carried out in as wide a sense as if each of the said paragraphs defined the objects of a separate and distinct company

4 The liability of the members is limited to the amount (if any) unpaid on the shares held
by them

5 The share capital of the company is £1,000 divided into 1,000 ordinary shares of £1
Each

WE, the persons whose names and addresses are subscribed, wish to be formed into a company
in pursuance of this memorandum of association, and we respectively agree to take the number
of shares in the capital of the company set opposite to our respective names

| Names, Addresses and Descriptions of Subscribers | Number of Shares taken by each Subscriber |
|--------------------------------------------------------------------------------------------|----------------------------------------------|
| Bernard Crewdson Springwood House Cowley Lane Holmesfield Sheffield S18 7SD | 70 |

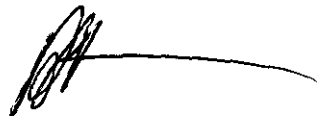
Andrew J Mills 20
148 Totley Brook Road
Dore
Sheffield
S17 3QU

James Mills 5
124 Hemper Lane
Greenhill
Sheffield
S8 7FE

Mrs Barbara Christine Lacey 5
26 Little Matlock Gardens
Stannington
Sheffield
S6 6FW

Total shares taken 100

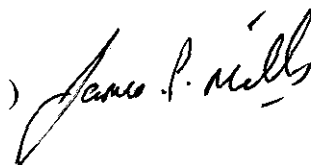
Signed by BERNARD CREWDSON)



Signed by ANDREW MILLS)



Signed by JAMES MILLS)

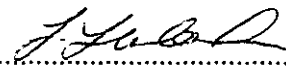


Signed by BARBARA CHRISTINE LACEY)

B. C Lacey

Date 21st October 2002

Witness to the above signatures

Signed 

Name JANINE HUTCHINSON.

Springwood House
Sheepbridge
Chesterfield 6
Derbyshire

THE COMPANIES ACT 1985
A PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
ORTHOCAD LIMITED
INTERPRETATION

1. In these regulations:-

| | |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “the Act” | means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force. |
| “the Articles” | means the articles of the company. |
| “Clear Days” | in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect. |
| “Executed” | includes any mode of execution. |
| “Office” | means the registered office of the company. |
| “the Holder” | in relation to shares means the member whose name is entered in the register of members as the holder of the shares. |
| “Secretary” | means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary. |
| “the United Kingdom” | means Great Britain and Northern Ireland. |

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the company.

SHARE CAPITAL

2. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares. Any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.
3. Subject to the provisions of the Act, Shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles.
4. The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
5. Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

SHARE CERTIFICATES

6. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
7. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

8. The company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.
9. The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable

and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

10. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
11. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES AND FORFEITURE

12. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
13. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
14. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
15. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
16. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
17. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
18. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

19. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
20. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
21. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
22. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

TRANSFER OF SHARES

23. Subject to the provisions of the articles the instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
24. The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a share on which the company has a lien. They may also refuse to register a transfer unless -
 - (a) it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
 - (b) it is in respect of only one class of shares; and
 - (c) it is in favour of not more than four transferees.

25. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
26. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
27. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
28. The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.
29. The right to transfer shares in the company shall be subject to the following restrictions:-
 - 29.1 (a) Before requiring the company to register a transfer of any shares the person, whether a member of the company or not, desiring to transfer them ('the proposing transferor') shall give notice in writing ('the transfer notice') to the company that he desires to sell such shares and shall specify in the transfer notice the price at which he is prepared to sell such shares. The transfer notice shall constitute the company as the agent of the proposing transferor for the sale of all (but not a part only) of the shares specified in the transfer notice to any member or to any other person selected by the directors at such price. If the proposing transferor does not in the transfer notice specify the price at which he is prepared to sell such shares then such shares shall be offered for sale at the prescribed price (as determined in paragraph 29.1(f)). A transfer notice once received by the company shall not be revocable without the prior consent of the directors.
 - (b) If the proposing transferor has specified a price at which he is prepared to sell such shares and within the period of 2 months of receiving a transfer notice the company finds members or other persons ('the purchasers') willing to purchase all the shares specified in the transfer notice at the specified price and gives notice of the fact to the proposing transferor, he shall be bound upon payment of the specified price to transfer those shares to such members or other persons.
 - (c) If no price is specified and within a period of 2 months after receiving a transfer notice the company finds members or other persons ('the prospective purchasers') who are willing to purchase all of the shares specified in the transfer notice subject to agreement upon the price for such shares and gives written notice of the fact to the proposing transferor then the provisions of paragraph 29.1(f) as regards the determination of the prescribed price shall take effect, and if the price for such shares as so determined under paragraph 29.1(f) is acceptable to the proposing purchasers, who give notice in writing of that fact to the company, then the company shall give written notice of that fact to the proposing transferor who shall be bound upon payment of the prescribed price to transfer those shares to such members or other persons.

- (d) Every notice given by the company under either of the preceding paragraphs stating that it has found a purchaser or prospective purchaser (whichever is applicable) for such shares shall state the name and address of such purchaser or prospective purchaser, or, if more than one, their names and addresses, and the number of shares which each such purchaser or prospective purchaser is willing to purchase, and such notice shall (in the case where the price has been specified) be accompanied by appropriate instruments of transfer for execution by the proposing transferor, and the purchase shall be completed, in the case where the price has been specified, at a time and a place to be appointed by the company not being more than 28 days after the date on which such notice was given by the company, and in the case where the price has to be ascertained in accordance with Paragraph 29.1(f) the purchase, shall be completed at a time and a place to be appointed by the company not being more than 28 days after the price has been so ascertained. For the purpose of determining the right to any distribution by the company the proposing transferor shall be deemed to have sold such shares on the date of completion of the purchase.
- (e) If the proposing transferor, after having become bound to transfer any shares to a purchaser or prospective purchaser, fails to do so, the directors may authorise some person to sign an instrument of transfer on behalf of the proposing transferor in favour of the purchaser or prospective purchaser and the company may receive the purchase money and shall, on receipt of the purchase money, cause the name of the purchaser or prospective purchaser (as applicable) to be entered in the register as the holder of the shares and shall hold the purchase money on trust for the proposing transferor. The receipt of the company for the purchase money shall be a good discharge to the purchaser or prospective purchaser, who shall not be bound to see to its application, and after his name has been entered into the register the validity of the proceedings shall not be questioned by any person.
- (f) In the event of the purchase price for such shares not being specified by the proposing transferor then after receipt by the proposing transferor of a notice given by the company under paragraph 29.1© of this article the proposing transferor shall use his best endeavours to agree with the prospective purchaser the price for each share but, in the event of failure to agree within one month of receipt by the proposing transferor of such notice given by the company, then the fair value for such shares shall be determined by the auditors for the time being of the company or (if the proposing transferor shall require) by some other chartered accountant to be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales who shall act as an expert and not as an arbitrator, and whose determination as to the fair value of the shares which the proposing transferor wishes to sell shall be conclusive and such fair value shall be the price payable for the shares, and in fixing such price such auditors or chartered accountant shall have power to determine how the costs of fixing the fair value of such shares shall be borne.
- (g) All shares comprised in any transfer notice shall be offered by the company in the first instance for sale, to all members holding shares of

the same class as those so comprised (other than the proposing transferor) on the terms that if more than one such member desires to purchase such shares then the shares so offered shall be sold to members accepting the offer in proportion (as nearly as may be) to their existing holdings of such shares. All offers of shares under this paragraph shall be made in writing and sent by pre-paid post to the members at their respective registered addresses, and shall limit a time (not being less than 21 days) within which the offer must be accepted or in default be treated as declined.

- (h) Once the price for the shares has been ascertained under paragraph 29.1.(f) then any prospective purchaser shall have the right to withdraw his application to purchase such shares and there will be no obligation on any prospective purchaser to purchase shares at such price unless he so signifies his consent to the company, and for that purpose he shall be deemed to have so signified his consent if he does not within one month of being notified by the company of the price so determined inform the company in writing that he no longer desires to purchase the shares, provided that if there are more than one prospective purchaser and not all prospective purchasers signify or are deemed to signify their consent to the purchaser of the shares at such price, then there shall be no obligation on the proposing transferor to sell the shares specified in the transfer notice unless such prospective purchasers as are prepared to purchase the shares agree to purchase all of the shares specified in the transfer notice.

- (i) If either:

- (i) 1. within a period of 2 months after receiving a transfer notice the company shall not find purchasers for all of the shares specified in the transfer notice and gives notice in writing to that effect to the proposing transferor, or
- (i) 2. the company within such period of 2 months gives to the proposing transferor notice in writing that it has no prospective of finding such purchasers, or
- (i) 3. the prospective purchasers give notice under paragraph 29.1.(h) that they are not prepared to pay the price determined under paragraph 29.1.(f) and to purchase all of the shares specified in the transfer notice

then the proposing transferor shall be at liberty until the expiration of 4 months thereafter to transfer all or any of the shares specified in the transfer notice to any person but he may not transfer the shares or any of them at a price lower than the specified price or the price ascertained under paragraph 29.1.(f) (as applicable).

- (j) If a proposing transferor wishes to sell any of his shares specified in a transfer notice after the expiry of the period of 4 months referred to in paragraph 29.1.(i) then he must give notice in writing to the company again in accordance with paragraph 29.1.(a)

- 29.2 The personal representatives of any deceased member shall be bound, if and when called upon by the directors to do so not earlier than six months after the date of his death, to give a transfer notice in respect of all the shares registered in the name of the deceased member as sole holder or as sole surviving joint

holder at the date of his death, or such of those shares as still remain so registered. If within a period of 21 days after being called upon the personal representatives fail to give such a transfer notice they shall be deemed to have given a transfer notice at the expiration of that period, and the provisions of the preceding article shall have effect accordingly.

- 29.3 If any member is adjudged bankrupt, his trustee in bankruptcy shall be bound immediately to give to the company a transfer notice in respect of all the shares registered in the name of the bankrupt member as sole holder or as sole surviving joint holder at the date of his bankruptcy, and if no such transfer notice is given within one month of the bankruptcy the trustee in bankruptcy shall be deemed to have given it at the end of that period, and the said provisions shall have effect accordingly.

TRANSMISSION OF SHARES

30. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
31. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
32. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

ALLOTMENT OF SHARES

33. Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraph (36) below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.
34. All shares which are not comprised in the authorised share capital with which the Company is incorporated and which the Directors propose to issue shall first be offered to the Members in proportion as nearly as may be to the number of the existing shares held by them respectively unless the Company in General Meeting shall by Special Resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than

fourteen days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article by any such Special Resolution as aforesaid shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the Members. The foregoing provisions of this paragraph (34) shall have effect subject to Section 80 of the Act.

35. In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.
36. The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of incorporation and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

ALTERATION OF SHARE CAPITAL

37. The company may by ordinary resolution -
 - (a) increase its share capital by new shares of such amount as the resolution prescribes;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
 - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
38. Whenever as a result of consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in

accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

39. Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN SHARES

40. Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

GENERAL MEETINGS

41. All general meetings other than annual general meetings shall be called extraordinary general meetings.
42. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.

NOTICE OF GENERAL MEETINGS

43. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen days' notice but a general meeting may be called by shorter notice if it is so agreed -
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

44. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person, entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

45. No business shall be transacted at any meeting unless a quorum is present. 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.
46. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.
47. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
48. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
49. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.
50. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
51. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded -
- (a) by the chairman; or
 - (b) by at least two members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;
- and a demand by a person as proxy for a member shall be the same as a demand by the member.

52. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
53. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
54. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
55. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
56. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
57. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
58. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

59. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.
60. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
61. A member in respect of whom an order had been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to

62. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
63. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
64. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.
65. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) -

I/We, [], of [], being a

, as my/our proxy to attend and vote for me and on my/our behalf at the annual/extraordinary general meeting to be held on [] 20 [], and at any adjournment thereof and with authority to sign any requisite consent to Short Notice for the purpose of holding such meeting.

Signed

“ PLC/LIMITED

I/We, [], of [] , being a

member/members of the above-named company, hereby appoint [] of [] , or failing him, []

of [], as my/our proxy to attend and vote for me and on my/our behalf at the annual/extraordinary general meeting of the company to be held on [] 20[], and at any adjournment thereof and with authority to sign any requisite consent to Short Notice for the purpose of holding such meeting.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 *for* against

Resolution No 2 *for* against

*Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Dated this [] day of [] 20 [].

Signed"

67. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may -
- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
 - (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;
- and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.
68. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned

meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

NUMBER OF DIRECTORS

69. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two.

ALTERNATE DIRECTORS

70. Any director (other than an alternate director) may 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.
71. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But, it shall not be necessary to give of such a meeting to an alternate director who is absent from the United Kingdom.
72. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise 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.
73. 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.
74. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and 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.

POWERS OF DIRECTORS

75. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
76. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS' POWERS

77. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.
78. 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.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

79. The office of a director shall be vacated if -
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) he is, or may be, suffering from mental disorder and either -
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (d) he resigns his office by notice to the company; or
 - (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

REMUNERATION OF DIRECTORS

80. The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

DIRECTORS' EXPENSES

81. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

82. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.
83. 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 a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
 - (b) may be a director or other officer of, or employed by, or 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 otherwise interested; and
 - (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office 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.
84. For the purposes of regulation 85 -
- (a) a general notice given 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 transaction or arrangement in which a specified person or class of 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; and
 - (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.

DIRECTORS' GRATUITIES AND PENSIONS

85. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or and person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

PROCEEDINGS OF DIRECTORS

86. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
87. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
88. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
89. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
90. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
91. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee 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.
92. Save as otherwise provided by the articles, a director shall not 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 unless his interest or duty arises only because the case falls within one or more of the following paragraphs -
 - (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the company or any of its subsidiaries;
 - (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether

alone or jointly with others under a guarantee or indemnity or by the giving of security;

- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any shares, debentures or other securities of the company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the company or any of its subsidiaries for subscription, purchase or exchange;
- (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes.

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), 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.

- 93. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 94. The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
- 95. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 96. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

SECRETARY

- 97. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

MINUTES

- 98. The directors shall cause minutes to be made in books kept for the purpose -
 - (a) of all appointments of officers made by the directors; and
 - (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

DIVIDENDS

99. Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
100. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
101. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
102. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
103. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
104. No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
105. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

ACCOUNTS

106. No members shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

CAPITALISATION OF PROFITS

107. The directors may with the authority of an ordinary resolution of the company -
- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;
 - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
 - (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and
 - (d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

NOTICES

108. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
109. The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the company any address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

110. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
111. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
112. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
113. A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

WINDING UP

114. If the company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

115. 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 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 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.

Names and addresses of subscribers

Bernard Crewdson
Springwood House
Cowley Lane
Holmesfield
Sheffield
S18 7SD

Andrew J Mills
148 Totley Brook Road
Dore
Sheffield
S17 3QU

James Mills
124 Hemper Lane
Greenhill
Sheffield
S8 7FE

Mrs Barbara Christine Lacey
26 Little Matlock Gardens
Stannington
Sheffield
S6 6FW

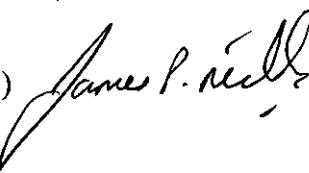
Signed by BERNARD CREWDSON

) 

Signed by ANDREW MILLS

) 

Signed by JAMES MILLS

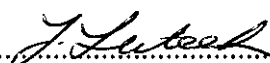
) 

Signed by BARBARA CHRISTINE LACEY

) B. C Lacey

Date 21st October 2002

Witness to the above signatures

Signed 

Name JANINE HUTCHINSON

APPROVED
Springwood House
Sheepbridge
Chesneyfield
Derbyshire