

535-0932

COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

(adopted by Special Resolution passed on 5th December 2008)

of

KORTEQ LIMITED

PRELIMINARY



1. The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended) (hereinafter referred to as "Table A") shall apply to the Company save in so far as they are hereby modified or excluded. Regulations 3, 8, 24 and 73 to 80 inclusive 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.

SHARE CAPITAL

3. The share capital of the Company is £1,200 divided into 1,050 Ordinary Shares of £1 each and 150,000 B shares of 0.1p each.
4. On a return of capital on liquidation or otherwise the assets of the Company available for distribution among the members shall be applied in repaying to the holders of the Ordinary Shares and the B Shares the amounts respectively paid up on such shares and, as to any surplus shall be distributed among the holders of such shares in the same proportions. On a sale of the entire issued capital of the company the proceeds

of sale shall be allocated amongst the holders of the Ordinary Shares and the B Shares in proportion to the amounts respectively paid up on such shares.

5. The B Shares shall confer on the holders thereof the right to receive notices of General Meetings but shall not entitle the holders (a) to vote upon any resolution (other than a resolution varying or abrogating any of the special rights attached to such Shares), or (b) to attend at any General Meeting unless the business of the meeting includes the consideration of a resolution on which such holders are entitled to vote.
6. The Ordinary Shares and the B Shares shall be treated as one class of share for the purpose of declaring and paying any dividend and shall rank for such dividend according to the amounts respectively paid up on such shares..

ALLOTMENT OF SHARES

7. Subject to the granting of the requisite authority under section 80 of the Act, any shares unissued at the date of the adoption of these Articles and any shares hereafter created shall be under the 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.
8. 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.
9. Subject to the provisions of the Act, any Shares may, with the sanction of a Ordinary Resolution, be issued on terms that they are or, at the option of the Company, are liable to be redeemed.

LIEN

10. The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any member whether solely or one of two or more joint holders for all moneys presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the

provisions of this Article. The Company's lien on a share shall extend to all dividends payable thereon.

CALLS ON SHARES

11. 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 – PRE-EMPTION RIGHTS

12. Subject to Articles 21 to 34 inclusive of these Articles and unless in any particular case the members otherwise agree by Special Resolution, none of the shares of the Company nor any interest therein shall be transferred and the Directors shall not register any transfer of any shares of the Company except pursuant to Articles 13 to 20 inclusive.
13. Every Member who wishes to transfer any of his shares or to dispose of any interest therein (such member being hereinafter referred to as a "Vendor") shall serve on the Directors a notice in writing of his wish so to do accompanied by the relevant share certificates. Such notification (hereinafter called a "Transfer Notice") shall state the number and class of shares which the Vendor desires to transfer or dispose of and shall constitute the Directors his agents for the sale of such shares (hereinafter called "the Sale Shares") at such price per share as shall be specified therein or such price as shall be agreed by the Vendor and the Directors. Save as hereafter provided a Transfer Notice shall not be withdrawn. A Transfer Notice shall not relate to more than one class of share in the capital of the Company.
14. Within 7 days of receipt of the Transfer Notice, the Directors shall forthwith offer the Sale Shares giving details of the number and price (being the price specified in Article 13) of the Sale Shares, to all other members of the Company (other than the Vendor) holding Ordinary Shares pro rata as nearly as may be in proportion to the numbers of Ordinary Shares then held by such offerees and inviting each such member to state in writing within 21 days from the date of the Transfer Notice whether he is willing to purchase any of the Sale Shares and, if so, the maximum number thereof. At the expiration of the time limit specified by such offer for the acceptance of such shares, the balance of any shares offered to the members but not so accepted shall be offered to the members who have accepted all the shares to which they are respectively entitled

who shall, if more than one, be entitled to purchase such balances of shares in the proportion as nearly as the circumstances will admit to the number of Ordinary Shares then held by each of them respectively. Such further offer shall be deemed to have been refused if not accepted within 14 days.

15. The Directors shall on the expiration of the above periods give notice to the Vendor of the number of Sale Shares which members are willing to purchase. If the Directors shall have found members willing to purchase some but not all of the Sale Shares the Vendor may within 21 days of the receipt of such notice from the Directors give a counter-notice in writing to the Directors withdrawing the Transfer Notice. If the Directors shall under the preceding provisions of this Article have found members willing to purchase all the Sale Shares or if no such counter-notice shall have been given by the Vendor within the aforesaid period, the Vendor shall be bound upon receipt of the price specified in the Transfer Notice to transfer the Sale Shares (or such of the same for which the Directors shall have found purchasers) to the purchasers specified by the Directors in accordance with this Article.
16. If the Vendor makes default in so transferring the Sale Shares the Company shall receive and give a good discharge for the purchase money on behalf of the Vendor but shall not be bound to earn or pay interest thereon and the Directors shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holders of such of the Sale Shares as shall have been so transferred to them.
17. At any time following the service or deemed service of a Transfer Notice the Directors may resolve to suspend the operation of the foregoing provisions of this article in order to facilitate the purchase of some or all of the Sale Shares by the Company at the price specified in or determined by article 13 or 20 as the case may be. If the Directors so determine the Sale Shares shall be offered to the Company in accordance with the provisions of articles 13 to 15 inclusive, save that the period within which the Company may accept the offer shall be increased by any period required by law for the convening of a meeting of shareholders to approve the acquisition. If, in the case of an acquisition of Sale Shares by the Company, the Vendor defaults in the execution of an agreement for the sale of any Sale Shares, the Company may nominate some person to execute such an agreement in the name and on behalf of the Vendor and thereafter the Company shall cause such share capital to be cancelled in accordance with the Act and shall hold the purchase money on trust (without interest) for the Vendor.

18. If by the end of the applicable period specified in Article 14 the Directors shall not have found purchasers for all the Sale Shares pursuant to this Article, the Vendor shall be at liberty at any time within the following three months to sell and transfer all or any of the unsold Sale Shares to any person or persons at any price not being less than that specified in the Transfer Notice or agreed with the Directors as specified in Article 13.
19. For the purpose of ensuring that a transfer of shares or the disposal of any interest therein is duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder the Directors may require any member, the legal personal representatives of a deceased member, the trustee of a bankrupt member or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter they deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such request or if any such information or evidence discloses that a Transfer Notice ought to be given in respect of any shares, the Directors shall be entitled to serve a Transfer Notice in respect of the shares concerned seeking transfer at a fair value and the provisions of these Articles shall take effect accordingly, save that a Transfer Notice so served may not be withdrawn except with the consent of the Directors.
20. For the purposes of these articles a fair value shall be such price as shall be agreed between the Vendor and the Directors or failing agreement such price as [the Auditors of the Company] acting as experts and not as arbitrators shall certify to be in their opinion the fair value of the Sale Shares on the basis of an arms length transaction as between a willing seller and a willing purchaser and the fair value of the Sale Shares shall [be their value as a rateable proportion of the total value of all the issued shares of the Company and shall not] be discounted or enhanced by reference to the number of the Sale Shares relative to the total issued capital of the Company.

LEAVER PROVISIONS

21. Articles 22 to 25 inclusive apply if:-
- 21.1 any shareholder (a "Primary Leaver") who is connected with the Company by virtue of his being an employee of the Company or of another company of which the

Company has control or his being engaged to provide services to any such company ceases to be so connected; or

- 21.2 any person who is not or who has ceased to be so connected acquires shares in the Company in pursuance of rights or interests obtained by persons (including himself) (a "Secondary Leaver") who are or were so connected.
22. Unless the Directors otherwise determine, the Directors shall within 3 months of the happening of one of the events mentioned in Article 21 require the shareholder or other person concerned by notice in writing to serve a Transfer Notice in respect of the relevant shares seeking a transfer thereof at the nominal value of the relevant shares. If that person fails within 14 days of such notice to serve a Transfer Notice as aforesaid the Directors shall be entitled and bound to serve a Transfer Notice seeking a transfer of the shares concerned at the nominal value.
23. Subject as aforesaid all the provisions of Articles 13 to 17 inclusive and 19 shall apply in relation to a Transfer Notice served pursuant to this Article 22, save that the shareholder or other person concerned shall not be entitled to withdraw such Transfer Notice.
24. In Article 22 "the relevant shares" means:-
- 24.1 in relation to a shareholder who ceases to be connected with the Company as specified in Article 21.1, the relevant percentage of the shares in the Company held by him; and
- 24.2 in relation to a person who acquires shares in the Company as specified in Article 21.2, the relevant percentage of the shares acquired by him in pursuance of the rights therein mentioned.
25. In Article 24 "the relevant percentage" means:-
- 25.1 Where the Primary Leaver or the Secondary Leaver (as the case may be) ceases to be connected (as described in article 21.1) before the first anniversary of the commencement of his employment or engagement as specified in article 21.1, or ceases to be so connected at any time when the directors were entitled to terminate the employment of the Leaver summarily: 100%;

- 25.2 Where the Primary Leaver or the Secondary Leaver (as the case may be) ceases to be so connected before the second such anniversary: 83%;
- 25.3 Where the Primary Leaver or the Secondary Leaver (as the case may be) ceases to be so connected before the third such anniversary: 66%;
- 25.4 Where the Primary Leaver or the Secondary Leaver (as the case may be) ceases to be so connected on or after the third such anniversary: 50%.

SHARE TRANSFERS – OVER-RIDING PROVISIONS

26. Save as required by articles 21 to 25 inclusive no member shall be permitted to transfer any share or any interest therein before 1 March 2009.
27. Notwithstanding anything contained in these Articles, the Directors may decline to register any transfer of any share on which the Company has a lien or any transfer of any share (whether or not a fully paid share) which they consider is not in the best interests of the Company and the Directors shall not be bound to give any reason for their opinion. The Directors shall, save in relation to any transfer or disposal of shares in respect of which the members for the time being shall have waived their respective rights under Articles 13 to 20 inclusive, refuse to register any proposed transfer of a share other than a transfer made pursuant to or permitted by the provisions of Articles 13 to 25, or 28 to 34 inclusive of these Articles.

TAG ALONG AND DRAG ALONG

28. In this article “**Controlling Interest**” means an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act in a company conferring in the aggregate more than 50% of the total voting rights conferred by all the issued shares in that company.
29. No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by a company in which one or more of the members of the Company (or persons acting in concert with them) has a Controlling Interest.

30. No sale or transfer of any shares or any interest therein (hereinafter called "the specified shares") conferring the right to vote at General Meetings of the Company which would result if made and registered in a person or persons who was or were not on the date of adoption of these Articles of Association a member or members of the Company obtaining a Controlling Interest in the Company shall be made or registered unless the proposed transferee or transferees or his or their nominees has or have offered to purchase the whole of the remaining shares in the capital of the Company on the same terms.
31. If at any time an offer is made and accepted which results or would result in a sale or transfer falling within Article 30 and the Directors procure that the proposed transferee or transferees or his or their nominees has or have offered to purchase the whole of the remaining shares in the capital of the Company on the same terms all holders of shares of any class in the Company who have not accepted the offer shall be obliged to accept the offer in respect of the shares held by them and to sell all of the shares held by them in accordance with such offer and the pre-emption rights set out in Articles 13 to 20 inclusive shall not apply to any transfer required to be made hereunder.
32. If any person ("Compulsory Transferor") fails to transfer any shares in accordance with Article 31 the Directors may authorise any person to execute and deliver on his behalf the necessary stock transfer form and the Company shall receive the purchase money in trust for the Compulsory Transferor and cause the purchaser to be registered as the holder of such shares (subject to payment of any stamp duty). The receipt of the Company for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof). The Compulsory Transferor shall in such case be bound to deliver up his certificate for such shares to the Company whereupon he shall be entitled to receive the purchase price without interest.
33. All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article.
34. Notwithstanding anything in this Article no transfer of any share shall after registration of such transfer be deemed to be invalid by reason only that it was made in contravention of the foregoing provisions, if the Directors shall prior to the registration thereof have obtained from the transferor and transferee a statutory declaration that so far as the transferor and the transferee are respectively aware

the transfer is not being made directly or indirectly in pursuance of any arrangement for the sale or acquisition of a Controlling Interest in the Company and will not result in such Controlling Interest being acquired by any person or persons who was or were not permitted to acquire them pursuant to these articles of association ("a permitted transferee"). For the purposes of this article a person shall not be regarded as a permitted transferee if he is acting in concert (as that expression is defined in the City Code on Takeovers and Mergers) with some person who is not himself a permitted transferee.

TRANSMISSION OF SHARES

35. Notwithstanding anything to the contrary contained in regulations 29 to 31 of Table A, the Directors shall not be bound to register as a member any person becoming entitled to a share in consequence of the death, bankruptcy or liquidation of a member and may refuse to do so if the Directors are of the opinion that the registration of such person will not be conducive to the interests of the Company and the Directors shall not be bound to give any reason for their opinion. In the event of such refusal being notified by the Directors to such person in writing or if the person aforesaid shall elect to transfer any shares without having been registered as a holder thereof such person shall be deemed to be a Vendor and to have served a Transfer Notice within the meaning of Article 13 in respect of all shares to which he has so become entitled seeking transfer at a fair value and the provisions of Articles 13 to 20 inclusive shall apply as if such person were a holder of such share save that a Transfer Notice so given shall not be withdrawn except with the consent of the Directors.

FORFEITURE OF SHARES

36. The following words shall be added after the words "shall pay" in regulation 15 of Table A: "all expenses that may have been incurred by the Company by reason of such non-payment, and".

PROCEEDINGS AT GENERAL MEETINGS

37. 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 half an hour from the time appointed for the Meeting, the Meeting shall be dissolved".

38. 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.
39. *Intentionally blank*
40. A proxy shall be entitled to vote on a show of hands and regulation 54 of Table A shall be modified accordingly.
41. Except when a member is the duly appointed proxy of another member no member who has agreed to cast a vote in accordance with the directions of any other person, firm or company shall be entitled to be present or to vote on any question, either personally or by proxy, or to be reckoned in a quorum at any General Meeting without the consent in writing of the Directors and any Resolution passed at any such Meeting which would not have been passed but for the vote of a member cast in contravention of the provisions of this Article shall be null and void and of no effect. Regulation 58 of Table A shall not apply to any vote cast in contravention of the provisions of this Article.

DELEGATION OF DIRECTORS' POWERS

42. The following words shall be added after the words "one or more directors" in regulation 72 of Table A:-

"who shall have power unless the Directors direct otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons although not being a Director of the Company".

APPOINTMENT DISQUALIFICATION AND REMOVAL OF DIRECTORS

43. The Directors shall not be liable to retire by rotation.
44. A Director shall not be required to hold any share qualification.
45. 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.

46. 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.
47. Without prejudice to 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 Directors 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 or when tendered to a meeting of the directors or a general meeting of the Company.
48. The office of a Director shall not be vacated if he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and he has appointed an alternate Director who has not been similarly absent during such period and regulation 81 of Table A shall be modified accordingly.
49. The office of Director shall be vacated if he becomes incapable, by reason of illness or injury, of managing and administering his property and affairs and regulation 81 of Table A shall be modified accordingly.
50. The office of Director shall, in addition to the circumstances mentioned in regulation 81 of Table A, be vacated if he is removed from office under Article 47.

REMUNERATION OF DIRECTORS

51. The following words shall be added after the words "from day to day" in regulation 82 of Table A: "Such remuneration shall be divided among them in such proportions and in such manner as they shall agree, or in default of unanimous agreement equally. Any resolution of the Board of Directors reducing or postponing the time for payment of the Directors' remuneration shall bind all the Directors".

PROCEEDINGS OF THE DIRECTORS

52. 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.
53. Any Director or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.

MISCELLANEOUS PROVISIONS RELATING TO OVERSEAS INTEREST

54. Table A shall be further modified as follows:-
- 54.1 In regulation 37 the words "within the United Kingdom" shall be deleted;
- 54.2 In regulation 88 the following sentence shall be deleted:-
- "It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom".
- 54.3 In regulation 112 the final sentence shall be deleted.
- 54.4 In regulation 116 the words "within the United Kingdom" shall be deleted.

INDEMNITY

55. Subject to the provisions of Section 310 of the Act every Director (including an alternate Director) or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 of the Act in which relief is granted to him by the court, and no Director (including an

alternate Director) or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the lawful execution of the duties of his office or in relation thereto.

56. The Directors shall have power to purchase and maintain for any Director, (including an alternate Director), officer or auditor of the Company insurance against any such liability as is referred to in Section 310 (1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, (including as an alternate Director), officer or auditor.
57. The Directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director (including an alternate director), other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in Article 56.