

THE COMPANIES ACTS 1985 TO 1989

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

POCKET WATCH PROJECTS LIMITED (the "Company")

(Registered in Scotland under company number SC209623)

We, the undersigned, being all the members of the Company who at the date of this resolution would be entitled to attend and vote at a general meeting of the Company, hereby resolve that resolutions numbered 1 and 2 shall be passed as ordinary resolutions and resolutions numbered 3 and 4 shall be passed as special resolutions, in accordance with the provisions of Regulation 53 of Table A to the Companies Act 1985 (as amended) incorporated into the Company's Articles of Association : -

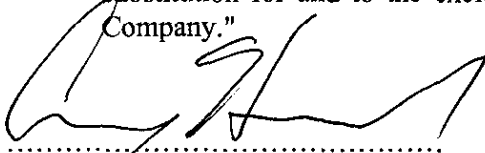
ORDINARY RESOLUTIONS

- 1 "THAT each of the existing issued 2,500 Redeemable Preference Shares of £1 each in the capital of the Company held by Edinburgh Technology Fund Limited be and are hereby subdivided into 100 Redeemable Preference Share of £0.01 each and that each of 12 of such Redeemable Preference shares of £0.01 each in the capital of the Company be and are hereby converted into an Ordinary Share of £0.01 each and the remaining 249,988 Redeemable Preference Shares of £0.01 each be and are hereby converted into Non-Voting Deferred Shares of £0.01 each in the capital of the Company having the rights and privileges and being subject to the restrictions contained in the Articles of Association of the Company adopted by Resolution 4 below."
- 2 "THAT the Directors be and are hereby authorised generally and unconditionally to exercise all of the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Companies Act 1985) subject always to the provisions of the Articles of Association of the Company provided that:
 - (a) the maximum nominal amount of relevant securities to be allotted in pursuance of such authority shall be £12.21 including the allotment of up to 346 Ordinary Shares of £0.01 each in connection with the exercise of options; and
 - (b) this authority shall expire, unless sooner revoked or varied by the Company in general meeting five years after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in

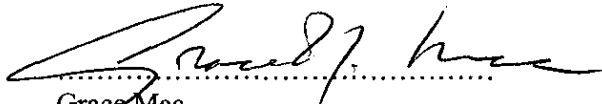
pursuance of such offer or agreement as if the power conferred hereby had not expired.

SPECIAL RESOLUTIONS

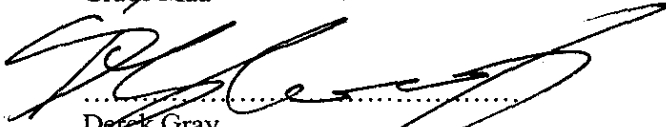
- 3 "THAT pursuant to section 95(1) of the Companies Act 1985, section 89(1) of that Act shall not apply to any allotment of equity securities (within the meaning of section 94 of that Act) in the capital of the Company pursuant to the authority conferred on the directors by Resolution 2 above."
- 4 "THAT the regulations contained in the document annexed hereto and for the purposes of identification signed as relative to this Resolution be and are hereby approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company."


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Alex Heneveld


9 Feb 2001
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Date


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Grace Maa

19 Feb 2001
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Date


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Derek Gray

9 Feb 2001
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Date


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Director, for and on behalf of
Edinburgh Technology Fund Limited

9/2/01
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Date