

Number of Company: 3615916

The Companies Act 1985

COMPANY LIMITED BY SHARES

**SPECIAL RESOLUTION**

(Pursuant to s.380(1) of the Companies Act 1985)

OF

**PROSYTH LIMITED**

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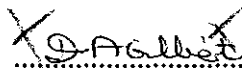
Passed 19 July 2001

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At an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened, and held at Unit 2, Bull Lane Industrial Estate, Acton, Sudbury, Suffolk CO10 0BD on the 19 day of July 2001 the subjoined SPECIAL RESOLUTION was duly passed, viz:-

**SPECIAL RESOLUTION**

THAT the Company adopt new Articles of Association in substitution for its existing Articles of Association and in terms of the draft attached hereto and initialled by the Chairman for identification purposes.



Chairman/Director/Secretary

**Note: To be filed within 15 days after the passing of the Resolution(s)**



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**The Companies Act 1985**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**PROSYNTH LIMITED**

**(Adopted by**

**Special Resolution passed on [ 19 July ] 2001)**

1. **Preliminary**

The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at the time of adoption of these Articles (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied by these Articles and such regulations (save as so excluded or varied) and these Articles shall be the regulations of the Company.

2. **Interpretation**

In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context:-

"A" Shares "	The "A" Ordinary shares of £1.00 each in the capital of the Company
"the Act"	The Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
"these Articles"	These Articles of Association, whether as originally adopted or as from time to time altered by special resolution
"B" Shares "	The "B" Ordinary shares of £1.00 each in the capital of the Company
"C" Shares"	The "C" Ordinary shares of £1.00 each in the capital 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
"the directors"	The directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company
"employee member "	A person who is or has been a director and/or an employee of the Company or any of its subsidiaries (other than a holder of ordinary shares)
"equity shares"	The "A" Shares, the "B" Shares and the "C" Shares
"executed"	Includes any mode of execution
"family trust "	<p>A trust which only permits the settled property or the income therefrom to be applied for the benefit of:-</p> <ul style="list-style-type: none"> <li>(i) the settlor and/or a privileged relation of that settlor; or</li> <li>(ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities);</li> </ul> <p>and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the privileged relations of the settlor. For the purposes of this definition "settlor" includes a testator or an intestate in relation to a family trust arising respectively under a testamentary disposition or an intestacy of a deceased member.</p>
"the holder"	In relation to shares means the member whose name is entered in the register of members as the holder of the shares
"Independent accountant"	A firm of independent chartered accountants (which may include the auditors of the Company) agreed upon by the directors and the proposing transferor or, in default of agreement within 7 days of any person requesting an appointment, appointed on the application of either party, following notice to the other, by the President for the time being of the Institute of Chartered

Accountants in England and Wales.

"office"	The registered office of the Company
"ordinary shares"	The ordinary shares of £1.00 each in the capital of the Company
"privileged relations "	The spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue).
"seal"	The common seal of the Company (if any)
"secretary"	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
"share"	Includes any interest in a share
"termination date "	<p>(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;</p> <p>(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served; and</p> <p>(c) in any other case, the date on which the contract of employment is terminated.</p>
"the United Kingdom"	Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these Articles and in Table A shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company. Regulation 1 of Table A shall not apply to the Company.

### 3. **Share capital**

- 3.1 The authorised share capital of the Company at the time of adoption of these Articles is 700,000 divided into 150,000 "A" Shares and 500,000 "B" Shares and 50,000 "C" Shares of £1.00 each. The "A" Shares and the "B" Shares and the "C" Shares shall be separate classes of shares and shall have the rights conferred on shares of such class by Article 4.
- 3.2 Save as may be provided by regulation 110 of Table A as amended by these Articles, and subject to Article 3.5, all shares which the directors propose to issue shall be dealt with in accordance with the following provisions of this Article 3.2:-

- 3.2.1 any shares proposed to be issued shall first be offered to the holders of the relevant class in proportion to the number of existing shares of that class held by them respectively, unless the Company shall by special resolution otherwise direct;
- 3.2.2 each such offer shall be made by notice specifying the total number of shares being offered to the members as a whole, to holders of each class, the proportionate entitlement of the member to whom the offer is made and the price per share (which shall be the same for each share or each class of share) and shall require each member to state in writing within a period (not being less than fourteen days) specified in the notice whether is willing to take any and, if so, what maximum number of the said shares up to his proportionate entitlement;
- 3.2.3 an offer, if not accepted within the period specified in the notice as regards any shares, will be deemed to be declined as regards those shares. After the expiration of such period, any shares so deemed to be declined (or actually declined) by the holders of shares of that class shall be offered to the holders of "B" Shares in proportion to the number of shares in the capital of the Company held by them respectively and such further offer shall be made in the same manner and limited by a like period as the original offer;
- 3.2.4 any shares not accepted pursuant to such offer and further offer made in accordance with this Article 3.2 or not capable of being offered as aforesaid except by way of fractions shall not be issued;
- 3.2.5 any shares released from the provisions of this Article 3.2 by special resolution in accordance with Article 3.2.1 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;
- 3.2.6 all shares which pursuant to the provisions of the regulations of the Company may be issued to a holder of "A" Shares or "B" Shares or "C" Shares shall upon being registered in the name of such holder become "A" Shares or "B" Shares or "C" Shares respectively.
- 3.3 The provisions of Article 3.2 shall have effect subject to section 80 of the Act.
- 3.4 Regulation 4 of Table A and, 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.
- 3.5 Article 3.2 shall not apply to any issue of, or any grant of any right to subscribe for "C" Shares, in either case comprised in the authorised share capital of the Company on the date of adoption of these Articles.

#### 4. **Share Classes and Class Rights**

- 4.1 Income

The profits available for distribution (including retained distributable profits) shall be distributed on the basis that the first £100,000 of any dividend declared during or in respect of any accounting period of twelve months (such sum to be adjusted on a strict time basis in the case of interim dividends and accounting periods of more or less than twelve months) shall be paid to the holders of the "C" Shares and any excess over such sum (adjusted as aforesaid) shall be distributed:

- 4.1.1 as to 20% to the holders of the "A" Shares;
- 4.1.2 as to 10% to the holders of the "B" Shares; and
- 4.1.3 as to 70% to the holders of the "C" Shares.

#### 4.2 Voting

Each ordinary share (of whatever class) shall entitle the holder thereof to one vote.

#### 4.3 Capital

On a return of assets on liquidation or capital reduction or otherwise the assets of the Company remaining after payment of the liabilities (including dividends declared but unpaid) shall be applied as follows:

- 4.3.1 firstly, in paying to the holders of the "B" Shares the nominal value thereof increased by the percentage increase in the Retail Prices Index published by the Central Statistical Office (or, if no longer published the nearest equivalent index) calculated from the date of issue thereof or if later the date of adoption of these Articles of Association
- 4.3.2 secondly, in paying to the holders of the "A" Shares the nominal value thereof, and
- 4.3.3 thirdly, in paying the balance thereof to the holders of the "C" Shares

#### 4.4 Class Rights

Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class of shares may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of at least 75% of the issued shares of that class. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, save that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum and where there is only one person holding shares of that class that sole shareholder shall be a quorum), and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

#### 5. Lien

The Company shall have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person to the extent such person has acknowledged in writing any indebtedness to the Company or to the extent such person is adjudicated by any court having competent jurisdiction to be indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company whether or not in respect of the shares in question. Regulation 8 of Table A shall be modified accordingly.

6. **Calls on shares and forfeiture**

There shall be added at the end of the first sentence of regulation 18 of Table A, so as to increase the liability of any member in default in respect of a call, the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

7. **Transfer of shares – Transfer Procedure**

7.1 Subject to Articles 8 to 10 (inclusive) any person (hereinafter called "the proposing transferor") proposing to transfer any shares shall give notice in writing (hereinafter called a "transfer notice") to the Company that he desires to transfer the same and specifying the price per share at which he is willing to sell them. The transfer notice shall constitute the Company the agent of the proposing transferor for the sale of all (but not some only) of the shares comprised in the transfer notice together with all rights then attached thereto to any member or members holding shares of the same class as those comprised in the transfer notice and willing to purchase the same (hereinafter called "purchasing members") at the price specified therein or at the fair value certified in accordance with Article 7.3 (whichever shall be the lower). A transfer notice shall not be revocable except with the sanction of the directors given any time prior to completion of the transfer of the shares in question. A transfer notice shall comprise one class of share only so that separate transfer notices are required in respect of proposed transfers of separate classes of shares.

7.2 The shares comprised in any transfer notice shall be offered to the members (other than the proposing transferor and any other person holding shares of the same class who has given or is deemed to have given a transfer notice) holding shares of the same class as those comprised in the transfer notice and as nearly as may be in proportion to the number of shares of the said class held by them respectively. Such offer shall be made by notice in writing (hereinafter called "the offer notice") within seven days after the receipt by the Company of the transfer notice. The offer notice shall:-

7.2.1 state the identity of the proposing transferor, the number and class of shares comprised in the transfer notice and the price per share specified in the transfer notice and inform the class members that shares are offered to them in accordance with the provisions of this Article 7.2;

7.2.2 contain a statement to the effect that the shares are offered in the proportion referred to in the opening sentence of this Article 7.2;

- 7.2.3 contain a statement of the right of each class member to request a certificate of fair value under Article 7.3, the form of such statement to be as near as circumstances permit to that of the first sentence of that Article;
- 7.2.4 contain a statement to the effect that each of the shares in question is being offered to class members at the lower of the price specified in the transfer notice and (if applicable) its fair value certified in accordance with Article 7.3;
- 7.2.5 state the period in which the offer may be accepted if no such certificate of fair value is requested (not being less than twenty-two days or more than forty-two days after the date of the offer notice); and
- 7.2.6 contain a statement to the effect that, if such a certificate of fair value is requested, the offer will remain open for acceptance until the expiry of a period of fourteen days commencing on the date of the notice of the certified fair value given to class members pursuant to Article 7.3 or until the expiry of the period referred to in Article 7.2.5 whichever is the later.

For the purpose of this Article an offer shall be deemed to be accepted (subject to revocation as provided in Article 7.1) on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by a class member in respect of a lesser number of shares than his full proportionate entitlement. If all the class members do not accept the offer in full in respect of their respective proportions in full the shares not so accepted shall be offered to the holders of the "B" Shares in proportion to the number of "B" Shares held by them. If any shares shall not be capable of being offered to the members in proportion to their existing holdings, except by way of fractions, the same shall be offered to the relevant class members, or some of them, in such proportions as the directors may think fit.

- 7.3 Any class member may, not later than eight days after the date of the offer notice, serve on the Company a notice in writing requesting that the independent accountant certify in writing the sum which in his opinion represents the fair value of each of the shares comprised in the transfer notice as at the date of the transfer notice. Forthwith upon receipt of such notice the Company shall instruct the independent accountant to certify as aforesaid and the costs of producing such certificate shall be apportioned among the proposing transferor and the purchasing members and borne by any one or more of them as the independent accountant in his absolute discretion shall decide. In certifying the fair value the independent accountant shall take this to be the net asset value disclosed in the audited financial statements of the Company for its financial year ending immediately before the date of the transfer notice ("the Relevant Accounts") adjusted (if necessary) so that
  - (a) the value of goodwill is £380,000 plus the depreciated cost (as disclosed in the Relevant Accounts) of goodwill acquired by the Company after 30 September 1999;
  - (b) the value of all freehold property of the Company is taken as the cost price thereof and the cost of all improvements whether or not capitalised and ignoring depreciation and the professional and other costs incurred in connection with the acquisition or improvement of such property;
  - (c) the value of all leasehold property of the Company is the value disclosed in the



Relevant Accounts plus the professional and other costs incurred in connection with acquiring or improving any leasehold property after the date to which the Relevant Accounts were prepared;

- (d) on the basis that no account is taken of the fact that the shares in question may constitute a minority or majority of the issued shares of any particular class.

The independent accountant shall be considered to be acting as expert and not as arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Forthwith upon receipt of the certificate of the independent accountant, the Company shall by notice in writing inform all members of the relevant class of the certified fair value of each share and of the price per share (being the lower of the price specified in the transfer notice and the certified fair value of each share) at which the shares comprised in the transfer notice are offered for sale.

- 7.4 If purchasing members shall be found for all the shares comprised in the transfer notice within the appropriate period specified in Article 7.2, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing (hereinafter called "the sale notice") to the proposing transferor specifying the purchasing members and the number of shares to be purchased by each purchasing member and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasing members.
- 7.5 If the Company shall not give a sale notice to the proposing transferor within the time specified in Article 7.4 or if at the date of the transfer notice there is no member other than the proposing transferor who holds shares of the same class as those comprised in the transfer notice, the transfer notice shall thenceforth be deemed to constitute the Company the agent of the proposing transferor for the sale of all (but not some only) of the shares comprised in the transfer notice together with all rights then attached thereto to any member or members willing to purchase the same (whether or not a class member) at the price specified therein or at the fair value certified in accordance with Article 7.3 (whichever shall be the lower). In the case of any offer of shares under this Article 7.5 to any member or members, the provisions of Articles 7.2 to 7.4 (inclusive) shall apply mutatis mutandis as if references therein to class members were to members of whatever class and reference to purchasing members were to purchasing members of whatever class and as if the period for service of the offer notice referred to in Article 7.2 was the period of seven days immediately following the expiry of the appropriate period for service of a sale notice on purchasing members without such a sale notice being served.
- 7.6 Notwithstanding the provisions of Article 7.5 but subject to the provisions of Article 7.8, if purchasing members shall have been found for some only of the shares comprised in the transfer notice pursuant to Article 7.2 the claims of such purchasing members made pursuant to Article 7.2 shall first be satisfied in preference to the claims of members of any other class made pursuant to Article 7.5.
- 7.7 If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such shares on behalf of and as attorney for the proposing transferor in favour of the purchasing

members. The receipt of the Company for the purchase money shall be a good discharge to the purchasing members. The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the proposing transferor.

- 7.8 If the Company shall not give a sale notice to the proposing transferor within the time specified for that purpose (by virtue of Article 7.5) in Article 7.4, then the Company shall be entitled, subject to the provisions of the Act, to exercise its power to purchase all the shares in question at the price per share specified in the transfer notice served in accordance with Article 7.1 or as certified in accordance with Article 7.3 (whichever shall be the lower). If the Company is unable to complete such purchase within forty two days of the expiry of the time for giving a sale notice, then the proposing transferor shall, during the period of thirty days next following the expiry of the time so specified, be at liberty to transfer all (but not some only) of the shares comprised in the transfer notice to any person or persons provided that the price per share obtained upon such share transfer shall in no circumstances be less than the price per share specified in the transfer notice served in accordance with Article 7.1 or as certified in accordance with Article 7.3 (whichever shall be the lower) and the proposing transferor shall upon request furnish such information to the directors as they shall require in relation to the price per share obtained as aforesaid. The directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied, may refuse to register the instrument of transfer.
- 7.9 Any transfer or purported transfer of a share made otherwise than in accordance with the foregoing provisions of Articles 7.1 to 7.8 (inclusive) or Articles 8 to 10 (inclusive) shall be null and void and of no effect.
- 7.10 If and when required by notice in writing by the holder or holders of (in aggregate) a majority in nominal value of the other shares in the Company so to do ("the call notice") a member who transfers or purports to transfer any share in the Company in breach of the provisions of these Articles shall be bound to give a transfer notice in respect of the shares which he has transferred or purported to transfer in breach of these Articles.

In the event of such member failing to serve a transfer notice within five days of the date of the call notice such member shall be deemed to have given a transfer notice at the expiration of such period of five days and to have specified therein as the price per share the fair value of each share to be certified in accordance with Article 7.3. The provisions of Articles 7.2 to 7.8 (inclusive) and Article 7.11 shall mutatis mutandis apply. A transfer notice given or deemed given under this Article 7.10 shall be irrevocable unless the directors give their consent to the contrary.

- 7.11 The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer which would otherwise be permitted under the foregoing provisions of this Article 7 if it is a transfer of a share on which the Company has a lien or of a share to a person of whom they shall not approve. The directors may also refuse to register a transfer unless:-

7.11.1 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; and

7.11.2 it is in respect of only one class of shares; and

7.11.3 it is in favour of not more than four transferees.

The directors shall register a transfer of shares made pursuant to Articles 7.1 to 7.8 (inclusive) subject to the provisions of this Article 7.11. Regulation 24 of Table A shall not apply to the Company.

7.12 In the application of regulations 29 to 31 of Table A to the Company and except where otherwise permitted under Article 8:-

7.12.1 any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall give a transfer notice before he elects in respect of any share to be registered himself or to execute a transfer;

7.12.2 if a person so becoming entitled shall not have given a transfer notice in respect of any share within two months of the death or bankruptcy, the directors may at any time thereafter upon resolution passed by them give notice requiring such person within five days of such notice to give a transfer notice in respect of all the shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such five days be deemed to have given a transfer notice pursuant to Article 7.1 relating to those shares in respect of which he has still not done so;

7.12.3 where a transfer notice is given or deemed to be given under this Article and no price per share is specified therein the transfer notice shall be deemed to specify the sum which shall, on the application of the directors, be certified in writing by the auditors in accordance with Article 7.3 as the fair value thereof.

7.13 For the purpose of ensuring that a transfer of shares is permitted pursuant to the provisions of these Articles or that no circumstances have arisen whereby a transfer notice may be required to be given, the directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration to furnish to the Company such reasonable information and evidence as the directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within a reasonable time after request, the directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a transfer notice be given in respect of the shares concerned. In any case where the directors have duly required by notice in writing a transfer notice to be given in respect of any shares and such transfer notice is not duly given within a period of thirty days from such notice such transfer notice shall be deemed to have been given at the end of the period of thirty days and such transfer notice, which shall be irrevocable shall be

deemed to specify as the price per share the fair value of each share to be certified in accordance with Article 7.3 and the provisions of Articles 7.2 to 7.8 (inclusive) and Article 7.11 shall mutatis mutandis apply.

- 7.14 The provisions of Articles 7.1 to 7.12 (inclusive) may be waived in any particular case if all the shareholders give their consent in writing.

**8. Transfer of Shares – Permitted Transfers**

- 8.1 Notwithstanding any other provisions of these Articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a privileged relation or to trustees to be held upon a family trust of which he is the settlor provided that the maximum number of shares that may be transferred under this provision shall not exceed 50% of the shares held by the relevant member at the date of the adoption of these Articles (unless the directors give their consent otherwise).
- 8.2 Where any shares are held by trustees upon a family trust, on any change of trustees such shares may be transferred to the new trustees of that family trust and such shares may be transferred at any time to the settlor or to another family trust of which he is the settlor or to any privileged relation of the settlor.

**9. Transfer of Shares – Compulsory Transfers**

- 9.1 Notwithstanding any other provisions of these Articles, if an employee member ceases to be a director or employee of the Company or any of its subsidiaries and does not continue in that capacity in relation to any of them, a transfer notice shall be deemed to have been served on the relevant termination date in respect of:
- 9.1.1 all shares held by the employee member immediately before such cessation or subsequently acquired pursuant to an option granted prior to the termination date but exercised thereafter or thereupon; and
- 9.1.2 all shares then held by the employee's privileged relations and trustees of a family trust of which he is the settlor (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the employee member or (ii) by reason of his or her connection with the employee member, and the decision of the directors in this respect will be final).
- 9.2 The fair value of each share offered pursuant to Article 9.1 shall be the fair value determined in accordance with the provisions of Article 7.3
- 9.3 If and whenever any shares held by trustees upon a family trust cease to be so held upon a family trust (otherwise than in consequence of a transfer to the settlor or to any privileged relation of the settlor), or there cease to be any beneficiaries of the family trust other than a charity or charities, a transfer notice shall be deemed to have been given in respect of the relevant shares by the holders thereof and such shares may not otherwise be transferred.

- 9.4 A transfer notice deemed given under this Article 9 shall be irrevocable.
- 9.5 The preceding provisions of this Article 9 may at any time be waived in whole or in part by the directors.

10. **Transfer of Shares – Drag Along**

- 10.1 If an offeror for shares in the Company makes bona fide offers to all the members of the Company which are acceptable to the holders of more than 75% of all the equity shares then in issue then provided such offer includes an offer to purchase all the equity shares for the same consideration per share or on the same terms as to price or to value:

10.1.1 such offeror may give notice to any non-accepting holder of "A" Shares and "B" Shares and "C" Shares requiring him to accept the offer within 14 days and stating that, failing such acceptance, he shall be deemed to have accepted such offer in respect of all "A" Shares and "B" Shares and "C" Shares held by him and irrevocably to have waived any pre-emption rights he may have in relation to any shares the subject of such offer;

10.1.2 upon the expiry of such notice each recipient thereof shall be obliged to deliver to the offeror (or as he may direct) an executed share transfer form and share certificate(s) in respect of the shares which were the subject of the notice together with an executed waiver of pre-emption rights, if appropriate;

10.1.3 if any such member fails to deliver executed share transfer form(s), share certificate(s) and pre-emption waiver(s) (if appropriate) as set out above he shall be deemed to have appointed any director of the Company to be his agent and attorney to execute such documents on his behalf and, against receipt by the Company (on trust for such member) of the appropriate purchase moneys, to deliver such executed transfer(s) and pre-emption waiver(s) (if appropriate) to the offeror and it shall be no impediment to completion of the transfer that such member's share certificate(s) has/have not been produced;

10.1.4 after such offeror or his nominee has been registered as the holder of shares transferred in accordance with this Article the validity of such transaction shall not be questioned by any person.

11. **General meetings**

The directors may call general meetings and regulation 37 of Table A shall not apply to the Company.

12. **Notice of general meetings**

- 12.1 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business and regulation 38 of Table A shall be modified accordingly. The words "or a resolution appointing a person as a director" and paragraphs (a) and (b) in regulation 38 of Table A shall be deleted and the words "in accordance with section 369(3) of the Act" shall be inserted

after the words "if it is so agreed" in that regulation.

12.2 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the profit and loss account, balance sheet, and the reports of the directors and auditors, the appointment of and the fixing of the remuneration of the auditors, the giving or renewal of any authority in accordance with the provisions of section 80 of the Act.

12.3 Every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and to the auditors for the time being of the Company.

13. **Proceedings at general meetings**

13.1 The words, "save that, if and for so long as the Company has only one person as a member, one member present in person or by proxy shall be a quorum" shall be added at the end of the second sentence of regulation 40 of Table A.

13.2 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor the member or members present in person or by proxy or (being a body corporate) by representative and entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. Regulation 41 of Table A shall not apply to the Company.

14. **Votes of members**

14.1 Regulation 54 of Table A shall not apply to the Company. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote for each share of which he is the holder.

14.2 The words "be entitled to" shall be inserted between the words "shall" and "vote" in regulation 57 of Table A.

14.3 A member shall not be entitled to appoint more than one proxy to attend on the same occasion and accordingly the final sentence of regulation 59 of Table A shall not apply to the Company. Any such proxy shall be entitled to cast the votes to which he is entitled in different ways.

15. **Alternate directors**

- 15.1 An alternate director shall be entitled to receive notice of all meetings of the directors and of all meetings of committees of the directors of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), 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 at such meeting as a director in his absence. An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct. Regulation 66 of Table A shall not apply to the Company.
- 15.2 A director, or any such other person as is mentioned in regulation 65 of Table A, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present and the final sentence of regulation 88 shall not apply to the Company.
- 15.3 Save as otherwise provided in the regulations of the Company, an alternate director shall be deemed for the purposes specified in Article 15.1 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. Regulation 69 of Table A shall not apply to the Company.

16. **Appointment and retirement of directors**

- 16.1 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.
- 16.2 The Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- 16.3 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 appointment does not cause the number of directors to exceed any number determined in accordance with regulation 64 of Table A as the maximum number of directors for the time being in force.
- 16.4 If, immediately following and as a result of the death of a member, the company has no members and if at that time it has no directors, the personal representatives of the deceased member may appoint any person to be a director and the director who is appointed will have the same rights and be subject to the same duties and obligations as if appointed by ordinary resolution in accordance with Article 16.2. If two members die in circumstances rendering it uncertain which of them survived the other, such deaths shall, for the purposes of this Article, be deemed to have occurred in order of seniority and accordingly the younger shall be deemed to have survived

the elder.

17. **Disqualification and removal of directors**

The office of a director shall be vacated if:-

- 17.1 he ceases to be a director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director; or
- 17.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 17.3 he is, or may be, suffering from mental disorder and either:-
  - 17.3.1 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
  - 17.3.2 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
- 17.4 he resigns his office by notice to the Company; or
- 17.5 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,

and regulation 81 of Table A shall not apply to the Company.

18. **Gratuities and pensions**

Regulation 87 of Table A shall not apply to the Company and the directors may exercise any powers of the Company conferred by its Memorandum of Association to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 27(3) of the Companies Act 1989) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

19. **Proceedings of the directors**

- 19.1 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director notwithstanding his office:-
  - 19.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;



- 19.1.2 may be a director or other officer of or employed by or be 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 in any way interested;
- 19.1.3 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- 19.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service 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; and
- 19.1.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of Articles 19.1.1 to 19.1.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted.
- 19.2 For the purposes of Article 19.1:-
- 19.2.1 a general notice 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;
- 19.2.2 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; and
- 19.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) 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.
- 19.3 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a 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 and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

- 19.4 Regulation 88 of Table A shall be amended by substituting for the sentence:-

"It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom."

the following sentence:-

"Notice of every meeting of the directors shall be given to each director and his alternate, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service."

- 19.5 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.

- 19.6 Any remuneration committee constituted by the Company shall comprise only of non-executive directors.

20. **The seal**

If the Company has a seal it shall be used only with the authority of the directors or of a committee of the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall only apply if the Company has a seal. Regulation 101 of Table A shall not apply to the Company.

21. **Notices**

- 21.1 In regulation 112 of Table A, the words "first class" shall be inserted immediately before the words "post in a prepaid envelope".

- 21.2 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted. Regulation 115 of Table A shall not apply to the Company.

22. **Winding up**

In regulation 117 of Table A, the words "with the like sanction" shall be inserted immediately before the words "determine how the division".

23. **Indemnity**

- 23.1 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 judgement 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. Regulation 118 of Table A shall not apply to the Company.

- 23.2 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 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.
- 23.3 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 23.2.

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