

Company No. 3385206

THE COMPANIES ACTS 1985 - 1989

COMPANY LIMITED BY SHARES

ORDINARY RESOLUTIONS and SPECIAL RESOLUTIONS

- of -

AGROSORT LIMITED

At an Extraordinary General Meeting of the above-named Company duly convened and held on
24 December 1997 the following Resolutions were duly passed as Ordinary Resolutions:-

ORDINARY RESOLUTION

- (A) THAT the 100 shares of £1 each in issue be converted into 50 'A' Shares of £1 each numbered 51 to 100 and 50 'B' Shares of £1 each numbered 1 to 50

SPECIAL RESOLUTION

- (B) THAT the regulations in the form attached to the Notice be adopted as the new Articles of Association of the Company in substitution for and to the entire exclusion of the existing articles of association.

M. J. H.

Director

Presented by: Linnells Solicitors, Greyfriars Court, Paradise Square, Oxford OX1 1BB

Ref: EPI.



**THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

-of-

AGROSOFT LIMITED

(Adopted on the day of 1999)

Linnells
Greyfriars Court
Paradise Square
Oxford OX1 1BB
(Ref:EPL.71658.2.4)

M. A. Rosen

**THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

-of-

AGROSOFT LIMITED

1 Interpretation

- 1.1 In these Articles if not inconsistent with the subject or context the following words and expressions shall have the following meanings:-

"the Act"	the Companies Act 1985 and every other Act or statutory instrument for the time being in force concerning limited companies and affecting the Company
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"these Articles"	these Articles of Association as originally adopted or as from time to time altered by special resolution
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"the Auditors"	the auditors of the Company for the time being
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"the Board" or	the directors of the Company
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"the Directors"	in office for the time being or a quorum of the directors present at a board meeting
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"Shareholders Agreement"	means the Shareholders Agreement between M Rasmussen and COSAC Limited dated 17 December 1999
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"Shareholders"	M Rasmussen and COSAC Limited
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"the United Kingdom"	Great Britain and Northern Ireland
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- 1.2 The expression "Secretary" shall include a temporary or assistant Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.

- 1.3 Reference to any statutory provision shall be deemed to include any amendment or re-enactment thereof.

- 1.4 Save as aforesaid any words or expressions defined in the Act shall if not consistent with

the subject or context bear the same meaning in these Articles.

- 1.5 The headings are inserted for convenience only and shall not affect the construction of these Articles.

2 Incorporation of Table A

- 2.1 The regulations contained in Table A in the Schedule to the Companies Act (Tables A to F) Regulations 1985 shall apply to the Company except in so far as the same are excluded or are inconsistent with these Articles.
- 2.2 Any proposed amendment to or variation of these Articles or of the Memorandum of Association of the Company shall be deemed to be a variation of the rights attached to the "A" Shares and the "B" Shares in the capital of the Company.
- 2.3 Regulations 2, 8, 17, 24, 32(a), 39, 40, 41, 50, 64, 65, 73 to 80 inclusive 89 and 118 of Table A shall not apply to the Company.

3 Share Capital

- 3.1 The Company shall not have power to issue share warrants to bearer.
- 3.2 The provisions of section 89(1) of the Act shall not apply to the Company.
- 3.3 The capital of the Company [(at the date of adoption of these Articles)] is £100.00 divided into 50 "A" Shares of £1 each and 50 "B" Shares of £1 each.
- 3.4 "A" Shares and "B" Shares shall constitute different classes of shares for the purposes of the Act but shall save as in these Articles expressly provided confer upon the holders thereof the same rights and rank *pari passu* in all respects.
- 3.5 Unissued shares in the capital of the Company for the time being shall only be allotted as follows:-
 - 3.5.1 every allotment shall be of an equal number of "A" Shares and "B" Shares;
 - 3.5.2 on the occasion of each allotment the "A" Shares and the "B" Shares shall be allotted at the same price (not being at a discount) and on the same terms as to date for payment;
 - 3.5.3 no shares of either class shall be issued otherwise than to members holding shares of the same class without the prior written consent of all the members;
 - 3.5.4 as between holders of shares of the same class the shares of that class being

allotted shall be allotted in proportion to such holders' then existing holdings of the shares of that class or in such other proportions between them as all the members holding shares of the same class shall agree in writing;

- 3.5.5 the maximum amount of relevant securities (as defined by section 80(2) of the Act) which the Directors may allot grant options or subscriptions or conversion rights over or otherwise deal with or dispose of pursuant to these Articles shall be the authorised but as yet unissued Share Capital of the Company at the date of adoption of these Articles. The authority conferred on the Directors by this Article shall expire on the day preceding the fifth anniversary of the date of adoption of these Articles.
- 3.6 The Company may from time to time by special resolution whether or not all the shares for the time being authorised shall have been issued or all the share for the time being issued have been fully paid up increase its share capital by new shares of such amount as the special resolution prescribes.
- 3.7 Save as provided in Article 3.5 the Directors shall have no power to issue unissued shares and shall not allot grant options or subscriptions or conversion rights over or otherwise dispose of the same.
- 3.8 The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time and in respect of that share and the Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him and his estate either alone or jointly with any person whether as a member or not and whether such moneys are presently payable or not. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.
- 4 Transfer of Shares**
- 4.1 No Shareholder shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under this Agreement) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to clause 7.6) :
- 4.1.1 as permitted by article 5;
- 4.1.2 as permitted by article 6;
- 4.1.3 pursuant to the acceptance of a written offer mentioned in clause 6.18;

- 4.2 If a Shareholder at any time attempts to deal with or dispose of a share or any interest therein or right attaching thereto otherwise than as permitted by these articles he shall be deemed immediately prior to such attempt to have given a Transfer Notice (as hereinafter defined) in respect of such share.
- 4.3 For the purpose of ensuring that a particular transfer of shares is permitted hereunder the Directors may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the Directors may think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the Directors shall be entitled to refuse to register the transfer in question.
- 4.4 Where a Transfer Notice in respect of any share is deemed to have been given under any provision of this Agreement and the circumstances are such that the Directors (as a whole) are unaware of the facts giving rise to the same such Transfer Notice shall be deemed to have been received by the Directors on the date which the Directors (as a whole) actually become aware of such facts and the provisions of clause 6 shall apply accordingly.
- 4.5 A deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition (as defined in article 6) and shall not be revocable.
- 4.6 The Directors shall not refuse to register any transfer of a share which is permitted under these articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer :
- 4.6.1 of a share on which the Company has a lien;
- 4.6.2 of a share (not being a fully paid share) to a person of whom they shall not approve.
- 4.7 If a Shareholder of any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a Transfer Notice he shall forthwith give written notice thereof to the Directors.

5 Permitted Transfers

- 5.1 Any Shareholder being a body corporate may at any time transfer all but not some only of the shares held by it to another body corporate which has acquired in connection with a bona fide scheme of amalgamation or reconstruction the whole or the main part of the undertaking or assets of such member.

- 5.2 A Shareholder may at any time transfer all or any of his shares:
- 5.2.1 in the case of a Shareholder being a nominee, to the person who is the beneficial owner or his successor or to a person to whom the beneficial owner, if he were registered as the holder, would have been entitled to transfer his shares in accordance with this clause; provided that the provisions of this article 5.2 shall not apply in circumstances where the beneficial ownership of the share in question became vested in the beneficial owner in contravention of any of the provisions of these articles;
 - 5.2.2 to any person with the prior written consent of all the other Shareholders.
- 5.3 The Representatives of a Shareholder may at any time transfer all or any of the shares to which they are entitled to any person to whom the registered holder would be permitted to transfer the same under this Agreement
- 5.4 If the Representatives of a Shareholder are permitted under these articles to become registered as the holders of any such Shareholder's shares and elect so to do then such shares may at any time be transferred by those Representatives to any person to whom under this clause the same could have been transferred by such Shareholder if he had remained the holder thereof, but no other transfer of such shares by the Representatives shall be permitted under this article.
- 5.5 Unless all the Shareholders otherwise agree, no transfer of any share permitted by this clause shall be made during the active period of any Transfer Notice or deemed Transfer Notice in respect of such share (and for this purpose 'active period' in respect of a given notice means the period from the time of its service until the time when no Shareholder has any further rights or obligations, directly or indirectly, pursuant to that notice)
- 5.6 The parties hereto shall procure that before any person (other than a person who is already a Shareholder) is registered as a holder of any share in the Company such person shall enter into a Deed of Adherence as defined in the Shareholders Agreement. The Company shall not register any such person as the holder of any share until such a deed has been executed; upon being so registered that person shall be deemed to be a party to the Shareholders Agreement
- 5.7 The Company shall not register any transfer made in breach of this article and the shares comprised in any transfer so made shall carry no rights whatsoever unless and until, in each case, the breach is rectified

6 Pre-emption Rights

- 6.1 Except for a transfer of shares which is permitted under this Agreement as mentioned in article 5 no shares shall be transferred until the following conditions of this clause 6 are

complied with:

- 6.2 Any Shareholder proposing to transfer a share ('the proposing transferor') shall give notice in writing ('Transfer Notice') to the Directors that the proposing transferor desires to transfer such share. In the Transfer Notice the proposing transferor shall specify:-
- 6.2.1 The number of shares which the proposing transferor wishes to transfer ('the Transfer Shares') (which may be all or part only of the shares then held by the proposing transferor);
- 6.2.2 whether or not the proposing transferor has received an offer from a third party for the Transfer Shares and if so the identify of such third party and the price offered for the Transfer Shares
- 6.3 A Transfer Notice shall also state whether the proposing transferor wishes to impose a Total Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this clause none shall be so sold), but in the absence of such a statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition. Any two or more Shareholders shall be entitled to serve a joint Transfer Notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a Total Transfer Condition and such notice shall for all the purposes of this clause take effect as if it were a single transfer notice and the Total Transfer Condition related to all the shares the subject of the joint transfer notice, but the obligations of those Shareholders thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively;
- 6.4 The Transfer Notice shall constitute the Company (by its board of directors) as the agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this clause. Save as expressly provided herein a Transfer Notice shall be not be revocable once given. If a proposing transferor revokes a Transfer Notice he may not subsequently transfer the shares the subject of the Transfer Notice (or any interest therein) otherwise than in accordance with this clause
- 6.5 Within seven days after the receipt of any Transfer Notice the Directors shall serve a copy of that Transfer Notice on all the Shareholders (other than the proposing transferor). In the case of a deemed Transfer Notice the Directors shall similarly serve notice on all the Shareholders (including the proposing transferor), notifying them that the same has been deemed to have been given, within 1 month after:
- 6.5.1 the date of the event giving rise to the deemed Transfer Notice; or
- 6.5.2 (if later) the date on which the directors (as a whole) actually became aware of

such event.

- 6.6 Subject as provided otherwise in this clause the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ('the Transfer Price') determined in accordance with article 6.
- 6.7 The Transfer Price shall be such price as shall be agreed in writing between all the Shareholders or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to this clause 6 the Transfer Price shall be determined by the Auditor in accordance with clause 6.8.
- 6.8 A chartered accountant (acting as an expert and not as an arbitrator) nominated by agreement between the proposing transferor and the Company or in default of such agreement by the President for the time being of the Institute of Chartered Accountants in England and Wales shall:
 - 6.8.1 by writing under his hand certify to be in his opinion a fair value thereof on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value of the fact that they represent a minority interest and on the assumption that the Transfer Shares are capable of transfer without restriction;
 - 6.8.2 certify the fair value as aforesaid his certificate shall be delivered to the Company as soon as the Company receives the certificate it shall furnish a certified copy to the proposing transferor (the 'Determination Date') and the proposing transferor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the certified copy to cancel the company's authority to sell the Transfer Shares. The costs of obtaining the certificate shall be borne by the company unless the vendor shall give notice of cancellation as aforesaid in which case the Vendor shall bear the said cost.
- 6.9 Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the Directors to the Shareholders (other than the proposing transferor) in proportion to the number of shares then held by each Founder respectively. Every such offer shall be made in writing and shall specify:
 - 6.9.1 the total number of Transfer Shares;
 - 6.9.2 the number of Transfer Shares offered to the Shareholder ('Pro-Rata Entitlement');
 - 6.9.3 whether or not the Transfer Notice contained a Total Transfer Condition; and
 - 6.9.4 a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse,

and shall be accompanied by a form of application for use by the Shareholder in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase.

6.10 Upon the expiry of the said offer period, the Directors shall allocate the Transfer Shares in the following manner:

6.10.1 to each Shareholder who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;

6.10.2 if any Shareholder has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to every other Shareholder who has applied for any part of such excess in proportion to the number of shares then held by them respectively (but without allocating to any Shareholder a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this article 6.10.2 taking account any Shareholder whose application has already be satisfied in full.

6.11 If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the Shareholders, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the Directors shall think fit.

6.12 If by the foregoing procedure the directors shall not receive acceptances from Shareholders in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to all the Shareholders, whereupon the holder of at least three-quarters in nominal value of the issued shares of the Company (excluding the shares held by the proposing transferor) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the Directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a Shareholder) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of such Transfer Shares (and the Directors shall be deemed to have made an offer of such shares accordingly); Provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this clause or to perform or discharge any of his other obligations hereunder the Shareholders (other than those who did not sign the aforesaid notice(s) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to perform the discharge all such other obligations;

6.13 If the Transfer Notice in question contained a Total Transfer Condition then no offer of

Transfer Shares made by the Directors pursuant to this clause shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the Shareholders (or any of them) or any person or persons nominated pursuant to article 6.12. If by the foregoing procedure the Directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the Shareholders or any person or persons nominated as aforesaid (except as mentioned below) pursuant to this clause. The proposing transferor may within a period of 1 month after the date of the Directors' said notice sell all (but not some only) of the Transfer Shares to any person or persons (including any Shareholder) at any price which is not less than the Transfer Price (after deducting, where appropriate, any net dividend or other distribution to be retained by the proposing transferor).

- 6.14 If, by the foregoing procedure, the Directors shall receive acceptances (or nominations) in respect of all of the Transfer Shares the Directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the Shareholder or Shareholders who have agreed to purchase the same (or to the person or persons nominated pursuant to clause 6.12 ('purchaser' or 'purchasers') and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the Company and the Directors therefor none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 28 days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the Directors.
- 6.15 If the transfer notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor, and the proposing transferor:
- 6.15.1 shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of article 6.14 shall apply mutatis mutandis thereto;
- 6.15.2 may within a period of 1 month after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any Shareholder) at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the proposing transferor).

- 6.16 If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this clause, makes default in transferring the same the Directors may authorise some person who is (as security for the performance of the proposing transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company. The receipt of the Company for such purchase money shall be good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.
- 6.17 Without prejudice to the generality of article 4.4, the Directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to either article 6.12 or article 6.15.2 are being transferred in pursuant of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer.
- 6.18 Notwithstanding the provisions of articles 6.12 and 6.15.2, no transfer of any shares shall be made by the proposing transferor pursuant to either of those clauses or registered without the previous consent in writing of all the Shareholder if it would result in a person or persons who was or were not a member or members of the Company on the date of the adoption of these Articles or any subsequent Deed of Adherence relating to the Shareholders Agreement (and any person or persons acting in concert (within the meaning of the City Code on Take-overs and Mergers) with him or them) obtaining direct or indirect control of a controlling interest in the Company unless, before the transfer is made, the proposed transferee(s) ('Buyer') make(s) a written offer (open for acceptance for a period of at least 30 days from its delivery to each of the Shareholders) to all the Shareholders to purchase all the shares in the capital of the Company then in issue (at the same time and on the same terms and conditions for each member) at a price per share not less than the Transfer Price. Such offer shall not be made conditional upon all or any proportion of the members accepting it and shall be on terms that it may be accepted by each member in respect of the whole or any part of his holding of shares. No Shareholder (including the proposing transferor) shall complete any sale of share to the Buyer unless the Buyer completes the purchase of all the shares agreed to be sold simultaneously.
- 6.19 If an offer to purchase all the issued shares in the capital of the Company is made pursuant to and in accordance with article 6.18, all the members shall be bound to accept

the same and to transfer all the shares in the Company held by the to the Buyer or his nominees in accordance with the terms of the offer, and in default of so doing the provisions of article 6.16 shall apply, mutatis mutandis, thereto.

6.20 In this paragraph a 'Relevant Event' means:

6.20.1 in relation to a Shareholder being an individual:

6.20.1.1 such Shareholder being adjudicated bankrupt or; or

6.20.1.2 such Shareholder dying; or

6.20.1.3 the happening of any such event as is referred to in paragraph (c) of Regulation 81 of Table A incorporated into these Articles; or

6.20.1.4 such Shareholder ceasing to be connected with the Company (otherwise than by reason of death or unfair or wrongful dismissal); and for these purposes an individual shall be treated as connected with the Company if but only if and so long as he is a director or employee thereof;

6.20.2 a Shareholder making any voluntary arrangement or composition with his creditors;

6.20.3 in relation to a Shareholder being a body corporate:

6.20.3.1 a receiver, manager, administrative receiver or administrator being appointed of such member or over all or any part of its undertaking or assets; or

6.20.3.2 such member entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

6.20.3.3 such Shareholder ceasing to be controlled (as defined by Section 840 of the Income and Corporation Taxes Act 1988) by the person(s) who controlled such Shareholder on the date on which it became a member of the Company or on the date of the adoption of these Articles (whichever shall be the later)

6.20.4 anything analogous to the foregoing under the law of any jurisdiction occurs in relation to that Shareholder

6.20.5 Upon the happening of any Relevant Event the Shareholder in question shall be

deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in the name of such Shareholder.

- 6.20.6 If an individual, being a person who has transferred shares pursuant to article 5.2, dies or is adjudicated bankrupt or ceases to be connected with the Company (as defined in article 6.20.1.4) the directors shall be entitled (but not obliged) to resolve that any member who has acquired shares from that person pursuant to article 5.2 or 5.3 (whether directly or by a series of transfers) shall be deemed to have given a Transfer Notice in respect of all the shares as shall then be registered in the name of such member. Any such resolution, to be effective for the purpose, must be passed within 1 month after (i) the date of the event in question or (ii) (if later) the date on which the directors (as a whole) actually become aware of such event, but for the purposes of article 6.20.3 the Directors shall serve the notice therein specified within 7 days of the passing of their resolution.
- 6.20.7 If the Relevant Event shall be the death or bankruptcy of a Shareholder, or the Directors resolve that a Transfer Notice shall be deemed to be served pursuant to article 6.20.3 by reason of the death or bankruptcy of a person, and if any of the shares which are offered pursuant to the deemed transfer notice shall not be sold to the Shareholders or any person or persons nominated pursuant to article 6.12 ('the unsold shares') then, after the expiration of the period during which the unsold shares might have been purchased by a Shareholder or Shareholders or person or person nominated as aforesaid pursuant thereto the Representatives of the member in question shall be entitled to elect at any time before the shares are disposed of by them to be registered themselves as the holders of the unsold shares (but so that such election shall not give rise to any obligation to serve a transfer notice in respect of the unsold shares).
- 6.21 An obligation to transfer a share under the provisions of this clause shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.
- 6.22 The provisions of this clause may be waived in whole or in part in any particular case with the prior written consent of all the Shareholders.
- 6.23 If, under any of the provisions of this clause, any Shareholders become jointly and severally liable to complete the purchase of any Transfer Shares in place of any nominated purchaser then as between such Shareholders each of them shall purchase such number thereof as shall bear to the total number of Transfer Shares in question the same proportion as the number of shares held by such Shareholder at the date of the relevant nomination bore to the total number of shares then held by all such Shareholders.

7 General Meetings

- 7.1 The powers of consolidation division sub-division and cancellation of the share capital of the Company conferred by Regulations 32(b) (c) and (d) of Table A shall be exercised by special resolution
- 7.2 No business shall be transacted at any general meeting unless the requisite quorum is present. Two members present in person or by proxy (or in the case of a member being a corporation by representative) shall be a quorum for all purposes provided that so long as the issued share capital of the Company is divided into "A" and "B" Shares one such member shall be the holder of an "A" Share and the other the holder of a "B" Share. Where all the holders of any such class have waived in writing the quorum requirements as concerns that class then such waiver shall be effective for the meeting or particular business specified in the waiver or otherwise as specified in the waiver
- 7.3 If within half an hour from the time appointed for any general meeting a quorum is not present the meeting shall stand adjourned to the same day in the next week (or if that day be a holiday to the next working day thereafter) and at the same time and place or to such other date time and place (not being more than 28 days nor less than 7 days after the date appointed for the adjourned meeting unless so agreed by the holders of not less than nine tenths in nominal value of the shares entitled to vote at the meeting) as the Directors may determine and if at the adjourned meeting a quorum of one "A" shareholder and one "B" shareholder is not present within half an hour from the time appointed for the meeting the members present shall be a quorum
- 7.4 Where a meeting is adjourned under Article 5.3 for more than 7 days not less than 7 days' notice of the adjourned meeting shall be given as in the case of an original meeting
- 7.5 No "A" Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the appointment or removal from office of a "B" director (as defined in Article 8.4).
- 7.6 No "B" Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the appointment or removal from office of an "A" director (as defined in Article 8.2).
- 7.7 If at any meeting any holder of any "A" Shares is not present in person or by proxy the votes exercisable on a poll in respect of the "A" Shares held by members present in person or by proxy shall be pro tanto increased so that such "A" Shares shall together entitle such members to the same aggregate number of votes as could be cast in respect of all the "A" Shares if all the holders thereof were present
- 7.8 If at any meeting any holder of any "B" Shares is not present in person or by proxy the votes exercisable on a poll in respect of the "B" Shares held by members present in person or by proxy shall be pro tanto increased so that such "B" Shares shall together entitle such members to the same aggregate number of votes as could be cast in respect

of all the "B" Shares if all the holders thereof were present

- 7.9 A resolution shall not be validly passed unless at least one holder of "A" Shares and at least one holder of "B" Shares shall vote in its favour

8 Directors

- 8.1 The Directors shall unless otherwise determined by a special resolution of the Company be not more than 4 in number
- 8.2 The holders of a majority of the "A" Shares may from time to time appoint any person to be a director but so that not more than 2 persons shall at any one time hold office by virtue of an appointment by holders of "A" Shares under this Article and shall only appoint the second 'A' director if the 'B' director should appoint a second 'B' director. Each person holding office pursuant to this Article is herein called an "A" director
- 8.3 Each "A" director shall hold office subject to Article 11 hereof and may at any time be removed from office by the holders of a majority of the "A" Shares
- 8.4 The holders of a majority of the "B" Shares may from time to time appoint any person to be a director but so that not more than 2 persons shall at any one time hold office by virtue of an appointment by the holders of "B" Shares under this Article. Each person holding office pursuant to this Article is herein called a "B" director
- 8.5 Each "B" director shall hold office subject to article 11 hereof and may at any time be removed from office by the holders of the a majority of the "B" Shares
- 8.6 Any such appointment or removal shall be made in writing under the hands of the holders *for the time being of the shares in whom the power of appointment or removal is vested* or their duly authorised agents and shall take effect on and from the date on which notice in writing thereof is lodged at the registered office for the time being of the Company or delivered to the Secretary or to a meeting of the Directors
- 8.7 Regulation 82 of Table A shall be amended by the addition of the following:-
"Such remuneration shall be divided between the Directors in such proportion and manner as the Directors may unanimously determine or in default of such determination equally except that any director holding office for less than a year or other period for which remuneration is paid shall rank in such division in proportion to the fraction of such year or other period during which he has held office. Any director who at the request of the Directors performs special services or goes or resides abroad for any purpose of the Company may receive such extra remuneration by way of salary, commission or participation in profits or partly in one way and partly in another as the Directors may determine"

- 8.8 A director (including an alternate director) shall not require any shareholding qualification but shall nevertheless be entitled to notice of and shall be entitled to attend and speak at any general meeting

9 Powers and duties of directors

- 9.1 Subject to the provisions of the Act a director (including an alternate director) may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a director. A director shall also be capable of voting in respect of such contract or arrangement where he has previously disclosed his interest to the Company or in respect of his appointment to any office or place of profit under the Company and the terms thereof and may be counted in the quorum at any meeting at which such matter is considered. Regulations 94 and 97 of Table A shall not apply to the Company

10 Alternative Directors

Any director (other than an alternate director) may appoint any person to be an alternate director and may remove from office an alternate director so appointed by him. When an alternate director is also a director or acts as an alternate director for more than one director such alternate director shall have one vote for every director so represented by him (in addition to his own vote if he is himself a director) and when so acting shall be considered as two directors for the purposes of making a quorum if the quorum exceeds two

11 Disqualification of Directors

Regulation 81 of Table A shall be amended by substituting for paragraphs (c) and (e) thereof the following provisions:-

- (c) he becomes in the opinion of all his co-directors incapable by reason of mental disorder of discharging his duties as a director or
- (e) he is otherwise duly removed from office

No director shall vacate his office or be ineligible for re-election nor shall any person be ineligible for appointment as a director by reason only of his attaining or having attained any particular age

12 Proceedings of Directors

- 12.1 The Directors may subject to these Articles meet together for the despatch of business and adjourn and otherwise regulate their meetings as they think fit. The quorum necessary for the transaction of business at any meeting of the Directors or of any committee shall

comprise one "A" director and one "B" director and Regulation 72 of Table A shall be amended accordingly

- 12.2 Questions arising at any meeting of the Directors or of any committee shall be decided by a majority of votes of the Directors present and the chairman shall have no second or casting vote and Regulation 88 of Table A shall be modified accordingly provided that:

12.2.1 if at any meeting of the Directors or of any committee any "A" director is not present in person or represented by an alternate director the votes of the "A" director or "A" directors present in person or represented by an alternate director shall be pro tanto increased so that such "A" director or "A" directors shall be entitled to cast the same aggregate number of votes as could be cast by the "A" directors if they were all present

12.2.2 if at any meeting of the directors or of any committee any "B" director is not present in person or represented by an alternate director the votes of the "B" director or "B" directors present in person or represented by an alternate director shall be pro tanto increased so that such "B" director or "B" directors shall be entitled to cast the same aggregate number of votes as could be cast by the "B" directors if they were all present

- 12.3 The words "of filling vacancies or" shall be omitted from Regulation 90 of Table A

- 12.4 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 or his alternate director including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company their address outside the United Kingdom. Directors who are for the time being absent from the United Kingdom shall be entitled to receive 7 days' notice of every meeting.

- 12.5 Notice of any meeting of the directors may be given by letter, telephone, fax or by email. The contemporaneous linking together by telephone or via email of a number of the directors being not less than the quorum and the Company secretary shall be deemed to constitute a meeting of the directors wherever in the world they are, so long as;

12.5.1 none of the directors is absent from the meeting except only as to any of them who the chairman may have consented before the meeting may be absent therefrom;

- 12.5.2 the directors who are present at and throughout the meeting subject as mentioned above constitute a quorum;
- 12.5.3 at the commencement of the meeting each director acknowledges the presence thereof to all the other directors taking part;
- 12.5.4 each of the directors taking part and the company secretary are able to hear or in the case of email are connected on-line with each other of them subject as hereinafter mentioned throughout the meeting;
- 12.5.5 the directors present at the commencement of the meeting do not leave the meeting by disconnecting, but the meeting shall be deemed to have been conducted validly notwithstanding the accidental disconnection during the meeting and the proceedings thereof shall be deemed to be as valid as if there had been no disconnection;
- 12.5.6 and a minute of the proceedings shall be sufficient evidence thereof and of the observance of all necessary formalities if certified by both the chairman and the company secretary.

13 Capitalisation of Profits

- 13.1 The words "special resolution" shall be substituted for the words "ordinary resolution" in Regulation 110 of Table A provided that on any occasion when shares are allotted and distributed credited as fully paid pursuant to the provisions of Regulation 110 of Table A as amended by this Article the shares allotted to holders of "A" Shares shall forthwith on allotment automatically stand converted into "A" Shares and the shares allotted to holders of "B" Shares shall forthwith on allotment stand converted into "B" Shares
- 13.2 Any notice required by these Articles to be given by the Company may be given by any visible form on paper including telex facsimile and electronic mail and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 of Table A shall be amended accordingly.
- 13.3 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled every director secretary auditor or other officer of the Company shall be entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office including but without prejudice to the generality of the foregoing any liability incurred by him
- 13.3.1 in defending any proceedings whether civil or criminal in which judgment is

given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part or

- 13.3.2 in connection with any application in which relief is granted to him by the court from liability in respect of any act omission done or alleged to be done by him as an officer or employee of the Company

Mat Brown