

**COMPANIES ACT 1985  
COMPANY LIMITED BY SHARES**

**Company No: 3654663**

**MARTIN STOCKLEY ASSOCIATES LTD**

**("COMPANY")**


**WRITTEN RESOLUTIONS TO ADOPT NEW ARTICLES OF ASSOCIATION**

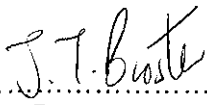
We, the undersigned, being all the members of the above named private Company ("the Company") hereby agree that the following Resolution shall have effect as a Special Resolution of the Company in accordance with the Companies Act 1985 Section 9 and we hereby acknowledge receipt a copy of the proposed Articles of Association to which the following Resolution relates:

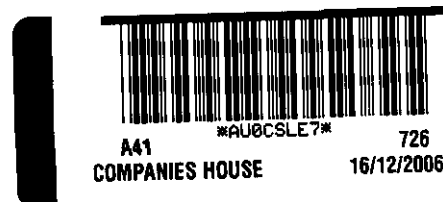
**Special Resolution**

That the Regulations contained in the document annexed to this Resolution be adopted as the Articles of Association of the Company in substitution for and to the entire exclusion of the existing Articles of Association.

Dated this 6th day of December 2006

  
.....  
Martin Stockley

  
.....  
Julian Broster



THE COMPANIES ACT 1985

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PRIVATE COMPANY LIMITED BY SHARES

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**ARTICLES OF ASSOCIATION**

**of**

**MARTIN STOCKLEY ASSOCIATES LIMITED**

COMPANY NUMBER: 3654663

(Adopted by Special Resolution on 5th Dec 2006)

**1. PRELIMINARY**

- 1.1 In these Articles "Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended and for the time being in force. The Regulations contained in Table A shall apply to the Company save in so far as they are excluded or modified hereby.
- 1.2 The Regulations of Table A numbered 2, 24, 40, 41, 54, 65 to 69 inclusive, 73 to 78 inclusive, 80, 81, 94 to 98 inclusive, 110 and 118 shall not apply but, subject to aforesaid and in addition to the remaining Regulations of Table A, the following shall be the Articles of Association of the Company.
- 1.3 The Company is a private company and no shares or debentures of the Company may be offered to the public.

**2. SHARE CAPITAL**

- 2.1 The share capital of the Company is £50,000 divided into 50,000 ordinary shares of £1 each.
- 2.2 Subject to the provisions of the Companies Acts (as defined in section 744 of the Companies Act 1985) and without prejudice to the rights attached to any existing shares, any share may be issued with or have attached to it such rights or restrictions as the Company may by special resolution determine.
- 2.3 In accordance with and subject to the provisions of Part V of the Companies Act 1985 (the Act) the Company may:
  - (a) issue shares that are to be redeemed or are liable to be redeemed at the option of the Company or holder;

- (b) subject to any rights conferred on the holders of any class of shares purchase its own shares (including any redeemable shares);
- (c) make a payment in respect of the redemption or purchase of any of its own shares as authorised by these articles otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

### **3. LIEN**

The Company shall have a first and paramount lien on all shares whether fully paid or not registered (whether as sole registered holder or as one of two or more joint holders) in the name of any person indebted or under liability to the Company for all moneys presently payable by him or his estate to the Company. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation.

### **4. TRANSFER OF SHARES**

- 4.1 No person that holds any shares in the Company ("Shareholder") shall sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share in the Company except as permitted by this agreement or with the prior written consent of the all of the shareholders of the Company at that time ("Shareholders").
- 4.2 Except for transfers for which the other Shareholders give their prior written consent, no Shareholder shall transfer any shares unless he transfers all (and not some only) of the shares held by him.
- 4.3 A Shareholder wishing to transfer shares ("Seller") shall give notice in writing ("Transfer Notice") to the other parties ("Ongoing Shareholder(s)") specifying the details of the proposed transfer, including the identity of the proposed buyer(s) and the price for the shares.
- 4.4 Within 28 Business Days of receiving the Transfer Notice, the Ongoing Shareholder(s) shall give a notice to the Seller saying that they wish to:
  - (a) purchase the shares in the Transfer Notice at the price specified; or
  - (b) purchase the shares in the Transfer Notice but that the price specified is too high.
- 4.5 If the Ongoing Shareholder(s) wish to purchase the Seller's shares but consider the price specified to be too high, the parties shall endeavour to agree a price. If the parties fail to reach agreement within 28 Business Days of the Transfer Notice, the auditors (or, if applicable, the accountants) of the Company at that time ("Auditors") shall determine the fair value of the shares in accordance with clause 7 and provide a written notice of such determination to the Shareholders.
- 4.6 If the Seller does not agree with the Fair Value as certified in the Auditors' written notice, he shall revoke the Transfer Notice by notice in writing to the Ongoing Shareholder(s) within seven Business Days of delivery of the Auditors' written notice. If the Seller revokes the Transfer Notice, he is not entitled to transfer the shares except in accordance with this agreement.

- 4.7 If the Ongoing Shareholder(s) do not agree with the Fair Value as certified in the Auditors' written notice, they shall give notice to the Seller within seven Business Days of delivery of the Auditors' written notice.
- 4.8 Subject to the Seller not exercising his right to revoke the Transfer Notice, and unless the Ongoing Shareholders give notice in writing to the Seller within seven Business Days of the date of the Auditors' written notice that they do not wish to purchase the shares, completion of the sale of the shares comprised in the Transfer Notice at the Fair Value, or price specified and agreed pursuant to clause 4.4(a) (as the case may be), shall take place in accordance with clause 6.
- 4.9 If the Ongoing Shareholders fail to give notice under clause 4.4, or give notice under clause 4.7:
- (a) the Seller is entitled to transfer his shares to the third party buyer identified in the Transfer Notice at a price not less than the price specified in the Transfer Notice (or the Fair Value, if lower); and
  - (b) the Seller shall procure that any buyer of shares that is not a party to this agreement shall, at completion, enter into a shareholders' agreement in relation to such shares with the parties to this agreement on the same terms that apply to the Seller.
- 4.10 If the holders of not less than 75 per cent of the issued shares ("the Majority Shareholders") receive a bona fide offer to purchase their shares on arms' length terms from an independent third party that they wish to accept they shall notify the holders of the remaining issued shares ("the Minority Shareholders") of all the material terms of the offer and use their reasonable efforts to procure that such third party makes an offer to the Minority Shareholders on the same terms as those being offered to the Majority Shareholders. If such offer is made, the Minority Shareholders shall be bound to accept it. The parties will do and execute such things and documents as are reasonably necessary to give full effect to this clause.

## **5. EVENTS OF DEFAULT**

- 5.1 A Shareholder is deemed to have served a Transfer Notice under clause 4.3 immediately before any of the following events of default:
- (a) his death; or
  - (b) a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; or
  - (c) he ceases to be a director of the Company; or
  - (d) he commits a material breach of any obligation under this agreement and fails to remedy such breach within 56 Business Days of notice to remedy the breach being served by all the other Shareholders.

5.2 The deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) the deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the shares and the parties shall refer the question of a valuation to the Auditors under clause 7;
- (b) the Auditors are required to determine the Fair Value for the shares;
- (c) the Seller does not have a right of withdrawal following a valuation;
- (d) on the completion of any sale in accordance with this clause, the buyer is not required to procure the discharge of any security given by the Seller or to procure the release of any debts of the Company to him; and

## **6. DRAG ALONG AND TAG ALONG**

### **6.1 Drag Along**

- (a) In these articles a Qualifying Offer shall mean an offer in writing by or on behalf of any person ("Offeror") to the holders of the entire share capital in the Company to acquire all their share capital.
- (b) If the holders of not less than 75 per cent in nominal value of the share capital then in issue ("the Accepting Shareholders") wish to accept the Qualifying Offer, then the provisions of this article shall apply.
- (c) The Accepting Shareholders shall give written notice to the remaining holders of the share capital ("Other Shareholders") of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders.
- (d) If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.
- (e) Upon any person, following the issue of a notice pursuant to article 6.1(c), becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the company (New Member), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall

thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the notice being deemed served on the New Member.

## 6.2 Tag along

- (a) If at any time one or more Shareholders ("Proposed Sellers") propose to sell, in one or a series of related transactions, a majority in nominal value of the Ordinary Shares ("Majority Holding") to any person (not being an Offeror for the purposes of article 6.1(a)) other than pursuant to article 4, the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this article.
- (b) The Proposed Sellers shall give written notice ("Proposed Sale Notice") to the other holders of the share capital in the Company of such intended sale at least ten Business Days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer ("Proposed Buyer"), the purchase price and other terms and conditions of payment, the proposed date of sale ("Proposed Sale Date") and the number of Shares proposed to be purchased by the Proposed Buyer ("Proposed Sale Shares").
- (c) Any other holder of share capital in the Company shall be entitled, by written notice given to the Proposed Sellers within five Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.
- (d) If any other holder of share capital in the Company is not given the rights accorded him by the provisions of this article, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect.

## 7. COMPLETION OF SHARE PURCHASE

7.1 Completion of the sale and purchase of shares under clause 4 and clause 5 of this agreement shall take place on 28 Business Days after:

- (a) the day of delivery of the Transfer Notice, unless the Auditors have been requested to determine Fair Value; or
- (b) the day of delivery of the Auditors' Fair Value notice.

7.2 At such completion:

- (a) the Seller shall deliver, or procure that there is delivered to the Ongoing Shareholder(s), a duly completed share transfer form transferring the legal and beneficial ownership of the relevant shares to the Ongoing Shareholder(s), together with the relevant share certificates and such other documents as the Ongoing Shareholder(s)

may reasonably require to show good title to the shares, or to enable them to be registered as the holders of the shares;

- (b) the Ongoing Shareholders shall deliver or procure that there is delivered to the Seller a bankers' draft made payable to the Seller or to his order for the purchase price; and
- (c) if following the sale the Seller holds no further shares in the Company, the Seller shall deliver, or procure that there are delivered to the Company, resignations from any directors appointed by the Seller, such resolutions to take effect at completion of the sale of the shares.

7.3 The shares are sold by the Seller with full title guarantee.

7.4 If any Ongoing Shareholder fails to pay the purchase price on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of the purchase price shall accrue interest at a rate equal to 4% above the base rate of the Bank of England from time to time.

7.5 The parties shall procure the registration (subject to due stamping by the Ongoing Shareholders) of the transfers of shares in the Company effected pursuant to this clause and each of them consents to such transfers and registrations under this agreement and the articles of association.

## **8. FAIR VALUE**

8.1 The Fair Value for any shares to be transferred under this agreement is that proportion of the amount the Auditors consider to be the fair value of the entire issued share capital of the Company that the Seller's shares bear to the entire issued share capital of the Company (with no discount for the size of the Seller's shareholding).

8.2 In determining the Fair Value of the entire issued share capital of the Company, the Auditors rely on the following assumptions:

- (a) the sale is between a willing seller and a willing buyer;
- (b) the shares are sold free of all restrictions, liens, charges and other encumbrances; and
- (c) the sale is taking place on the date the Auditors were requested to determine the Fair Value.

## **9. ISSUE OF FURTHER SHARES**

9.1 If the Company wishes to issue further shares, the Shareholders shall procure (so far as is possible in the exercise of their rights and powers) that the Company gives notice to each Shareholder stating the number of shares to be issued and the price of the shares.

9.2 Each Shareholder shall have the option, but not the obligation, to subscribe for, at the price stated in the notice, that proportion of the shares proposed to be issued which the number of ordinary shares held by him bears to the total number of ordinary shares in issue at the time the Company gives its notice. Each Shareholder may exercise the option by giving notice to the Company,

at any time within 28 Business Days following the Company's notice, accompanied by a banker's draft made payable to the Company in respect of full payment for the shares to be subscribed for.

- 9.3 Any shares referred to in the Company's notice, in respect of which the Shareholders do not exercise their options, may be issued by the Company in accordance with its notice, provided that any such issue is completed within 28 Business Days after the Company's notice.

## **10. POWER TO ISSUE OR ALLOT SHARES**

The directors may not issue or allot any shares in the Company without the prior unanimous consent of the Shareholders given at a duly convened meeting of the Company.

## **11. PROCEEDINGS AT GENERAL MEETINGS**

- 11.1 If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting is adjourned to such day and at such time and place as the directors may determine and if a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting is dissolved.
- 11.2 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote.

## **12. VOTES OF MEMBERS**

Subject to any rights or restrictions attached to any shares and to any other provisions of these articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member who is present or by proxy shall have one vote for every share of which he is the holder.

## **13. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum. The minimum number of directors is one.

## **14. ALTERNATE DIRECTORS**

- 14.1 An alternate director may act as alternate director to more than one director and is entitled at a meeting of the directors or of a committee of the directors to one vote for every director that he acts as alternate director for in addition to his own vote (if any) as a director of the Company, but an alternate director counts as only one director in determining whether a quorum is present.
- 14.2 An alternate director is entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member; to attend and vote at any such meeting at which the director appointing him is not personally present; and generally to perform all the



functions of his appointor as a director in his appointor's absence. But it is not necessary to give notice of such a meeting to an alternate director who is absent from the UK.

- 14.3 Unless otherwise determined by ordinary resolution of the Company, an alternate director is not entitled 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 to the Company direct and the Company may pay all travelling, hotel and other expenses properly incurred by an alternate director in connection with attendance at meetings of directors or of committees of directors or otherwise in connection with the business of the Company.

## **15. APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 15.1 The directors are not subject to retirement by rotation.
- 15.2 A director may only be appointed to office at a general meeting of the Company.
- 15.3 No person shall be appointed a director at any general meeting unless:
- (a) he is recommended by the directors; or
  - (b) not less than 14 or more than 35 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed
- 15.4 Not less than seven nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director. The notice shall give particulars of that person which would, if he were so appointed, be required to be included in the Company's register of directors.
- 15.5 Subject to the foregoing provisions of this article the Company may, by unanimous consent of the Shareholders, appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.
- 15.6 A director may only be removed from office by unanimous consent of the Shareholders given at a duly convened meeting of the Company.

## **16. DIRECTORS' APPOINTMENTS AND INTERESTS**

Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of

any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any subsequent change in remuneration of any Director must be approved by the unanimous consent of the Shareholders at a duly convened meeting. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company.

## **17. PROCEEDINGS OF DIRECTORS**

- 17.1 A person may participate in a meeting of the directors or of a committee of directors by means of electronic communication provided that throughout the meeting all persons participating in the meeting are able to communicate interactively and simultaneously with all other parties participating in the meeting notwithstanding accidental disconnection of the means of electronic communication during the meeting. A person participating in a meeting in this manner shall be deemed present in person at the meeting and shall be entitled to vote and be counted in the quorum.
- 17.2 Subject to disclosure in accordance with section 317 of the Act, a director is entitled to vote at any meeting of the directors or of a committee of directors on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company, and in relation to any such resolution (whether or not he votes on the same) he is to be taken into account in calculating the quorum present at the meeting.

## **18. INDEMNITY**

Subject to the provisions of the Companies Acts (as defined in section 744 of the Companies Act 1985), but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act or otherwise under the Companies Acts.