

**DIAGNOSTIC POTENTIALS LIMITED**  
(Incorporated in Scotland, Number SC178691)

I certify that this is a true copy of the following written resolution passed on

17/10/02

**WRITTEN RESOLUTIONS**

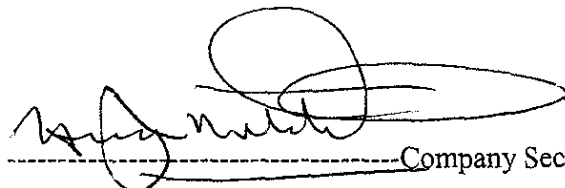
We, being all the members of the Company for the time being who would be entitled to attend and vote at a general meeting of the Company at which the undemoted resolutions were proposed hereby pass the following resolutions as written resolutions of the Company and agree that pursuant to regulation 4 of the Articles of Association of the Company the resolutions be valid and effective as if the same had been passed by us as special resolutions at a general meeting of the Company duly convened and held:

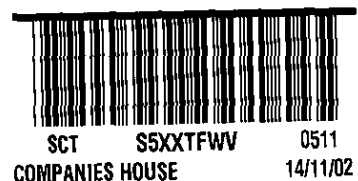
1. "THAT:-

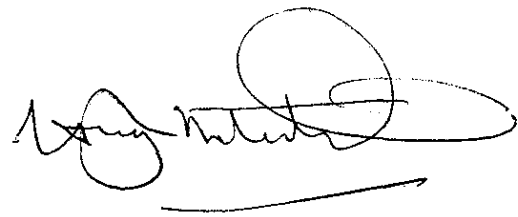
- (A) the authorised share capital of the Company be and is hereby increased from £5:275 to £7:910 by the creation of 2635 Preferred Ordinary Shares of £0.001 having the rights and privileges conferred by the Articles of Association referred to at resolution 2 following; and
- (B) the directors be and are hereby authorised generally and unconditionally, pursuant to section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) up to the amount of the authorised and unissued share capital of the Company such authority to expire (unless previously renewed, varied or revoked by the Company in general meeting) on the day prior to the fifth anniversary of the date upon which this resolution is passed, save that the Company may, before this authority expires or is replaced, make an offer or agreement which would or might require relevant securities to be allotted after such expiry or replacement and the directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired, or as the case may be, been replaced."

2. "THAT the draft regulations annexed to these written resolutions and signed by each of us for the purposes of identification shall be adopted as the Company's articles of association in substitution for and to the exclusion of the existing articles of association."

3. "THAT these Written Resolutions be effective whether contained within one document signed by us all or whether within a number of separate counterparts and that the date of the resolutions will be the last date on which either the single document is signed or if by counterparts the date of signing of the latest counterpart to be signed. "

  
----- Company Secretary





ARTICLES OF ASSOCIATION

OF

DIAGNOSTIC POTENTIALS LIMITED

Adopted by special resolution on [\_\_\_\_\_]

Interpretation

1. In these Articles the undernoted expressions shall have the meanings set opposite them below:-

“the Act”	shall mean the Companies Act 1985 (as amended) including any statutory modification or re-enactment for the time being in force;
“Catalyst”	shall mean Catalyst Biomedica Limited, a company incorporated in England with registered number 3443126 whose registered office is 183 Euston Road, London NW1 2BE;
“Catalyst Group”	shall mean Catalyst, the Wellcome Trust, The Wellcome Trust Limited and any subsidiaries or holding company of the Wellcome Trust Limited and “member of the Catalyst Group” shall be construed accordingly;
“Exempt Allotment”	shall mean any allotment of shares in the capital of the Company pursuant to the Subscription Agreement;
“3i”	shall mean 3i Group plc registered number 1142830 and having its registered office at 91 Waterloo Road, London SE1 8XP;
“3i Group”	shall mean 3i, any subsidiary of 3i and any company of which 3i is a subsidiary and the expression “member of the 3i Group” shall be construed accordingly;

“the Founder Member”	Dr Kerry W Kilborn residing at 53 St Andrew’s Drive, Bridge of Weir, Renfrewshire PA11 3HU;
“the Institutional Investors”	shall mean those members of the Scottish Enterprise Group, the Scottish Enterprise Dunbartonshire Group, the 3i Group and the Catalyst Group that are, for the time being, the holders of shares in the capital of the Company;
“the Investors”	shall mean the Institutional Investors and those of the Private Investor Group that are, for the time being, the holders of shares in the capital of the Company;
“an Investor Majority”	shall mean those Investors who are, at the relevant time, the holders of 75% or more of the aggregate number of issued Ordinary Shares and Preferred Ordinary Shares in the capital of the Company which are owned by Investors from time to time;
“the Private Investors”	shall mean Hugh Mitchell of 11 Grange View, Linlithgow, West Lothian EH49 7HY and Peter Kevin Moore of 14 Eden Park, Bothwell, Glasgow;
“the Private Investor Group”	shall mean the Private Investors and the Privileged Relations and Family Trusts of the Private Investors;
“Sale”	means a sale or transfer of shares in the Company if it would result in a person or persons (other than a member of the Catalyst Group) obtaining a Controlling Interest (as defined in Article 13.2.1) in the Company;
“Scottish Enterprise”	shall mean Scottish Enterprise, established by the Enterprise and New Towns (Scotland) Act 1990 and having its principal place of business at 150 Broomielaw, Atlantic Quay, Glasgow, G2 8WQ;
“Scottish Enterprise Dunbartonshire”	shall mean Scottish Enterprise Dunbartonshire, a company limited by guarantee and not having a share capital and whose registered office is at Spectrum House, Clydebank Business Park, Clydebank G81 2DR;

“the Scottish Enterprise Dunbartonshire Group” shall mean Scottish Enterprise Dunbartonshire and any subsidiary or holding company for the time being of Scottish Enterprise Dunbartonshire or any body of persons which shall have acquired the whole or substantially the whole of the undertaking of Scottish Enterprise Dunbartonshire or a Scottish Enterprise Dunbartonshire Successor and the expression “member of the Scottish Enterprise Dunbartonshire Group” shall be construed accordingly;

“Scottish Enterprise Dunbartonshire Successor” shall mean any party succeeding in whole or in part to the interest of Scottish Enterprise Dunbartonshire;

“the Scottish Enterprise Group” shall mean Scottish Enterprise, any subsidiary for the time being of Scottish Enterprise and any company, corporation or other body of persons which shall have acquired the whole or substantially the whole of the undertaking of Scottish Enterprise or any subsidiary of such company, corporation or body and any other body to which the statutory functions of Scottish Enterprise have been delegated or a Scottish Enterprise Successor and the expression “member of the Scottish Enterprise Group” shall be construed accordingly;

“Scottish Enterprise Successor” shall mean any party succeeding in whole or in part to the interest of Scottish Enterprise;

“Subscription Agreement” shall mean the agreement among the Company, Dr Kerry W Kilborn, the Institutional Investors and the Private Investors executed by the Company of even date with the adoption of these articles of association;

“Wellcome Trust” shall mean the Wellcome Trust, a charity registered in England and Wales with number 210183, with offices at 183 Euston Rd, London NW1 2BE;

“Wellcome Trust Limited” shall mean The Wellcome Trust Limited (as trustee of the Wellcome Trust) a company registered under Company number 02711000 and having its registered office at 183 Euston Road, London NW1 2BE.

2. The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.
- 3.1 Unless the context requires otherwise the words or expressions contained in these Articles bear the same meaning as in the Act or, in the Companies Act 1989, but excluding any statutory modification thereof not in force on the date of adoption of these Articles.
- 3.2 The expressions "holding company" and "subsidiary" shall have the meanings ascribed to them respectively in section 736 and section 736A of the Companies Act 1985.
- 3.3 In the Articles:
- a) Article headings are included for convenience only and shall not affect the construction of these Articles;
  - b) words denoting the singular shall include the plural and vice versa;
  - c) words denoting one gender include each gender and all genders;
  - d) references to persons are deemed to include references to natural persons, to firms, to partnerships, to companies, to corporations, to associations, to organisations and to trusts (in each case whether or not having separate legal personality).
4. Share Capital
- 4.1 The authorised Share Capital of the Company at the date of adoption of these Articles is £7.91p divided into 5275 Ordinary Shares of £0.001 each (in these Articles referred to as "Ordinary Shares") and 2635 Preferred Ordinary Shares of £0.001 each (in these Articles referred to as "Preferred Ordinary Shares"). The Ordinary Shares and the Preferred Ordinary Shares shall rank pari passu as if the same constituted one class of shares unless otherwise indicated in these Articles. Every member shall have one vote per share (whether Ordinary Share or Preferred Ordinary Share) held by him. The rights attaching to the Ordinary Shares and the Preferred Ordinary Shares respectively shall be as follows:
- 4.2 On a return of assets on liquidation or capital reduction or otherwise the assets of the Company remaining after payment of its liabilities ("Liquidation Assets") shall be applied as follows:
- 4.2.1. First, in paying to the holders of the Preferred Ordinary Shares as a class an amount equal to £X where X = the total of (1) the amount of any grant received by the Company from the Wellcome Trust plus (2) interest on the amount of any such grants from the date of receipt by the Company of the

relevant grant (or on each instalment of the grant if paid by instalments from the date of receipt by the Company of each instalment) at 8% per annum compounded every 12 months from the date of receipt by the Company of the grant or the relevant instalment;

4.2.2 Second and after satisfaction of 4.2.1, the holders of the Ordinary Shares as a class shall share an amount equal to £X, X being defined as in 4.2.1 above, rateably according to the number of shares held by each of them respectively;

4.2.3 Third and after satisfaction of 4.2.1 and 4.2.2, the balance of such assets shall be distributed among the holders of the Ordinary Shares and the Preferred Ordinary Shares rateably according to the number of shares held by them respectively as if the Ordinary Shares and the Preferred Ordinary Shares all constituted one class.

4.3 Unless an Investor Majority agree otherwise and so direct in writing, a minimum of 30% of the distributable profits of the Company in respect of each financial year of the Company shall be distributed to the members on the date on which the audited accounts for the year in question are approved by the Directors and Auditors of the Company without any recommendation by the Directors or resolution of the Company in general meeting being required and Regulations 102 to 108 of Table A shall be modified accordingly.

## 5. Transactions requiring consent of Catalyst

5.1 The Company shall not without the consent in writing of the holders of all of the issued Preferred Ordinary Shares of the Company vary the rights attached to any of the shares for the time being in the capital of the Company (other than in the case of an Exempt Allotment).

## 6. Conversion of Preferred Ordinary Shares

6.1 The holders of Preferred Ordinary Shares shall be entitled at any time to convert all (but not some only) of the Preferred Ordinary Shares held by them into Ordinary Shares and the following provisions shall have effect: -

6.1.1 the basis of such conversion shall be one Ordinary Share of £0.001 for each Preferred Ordinary Share held;

6.1.2 such conversion shall be effected by notice in writing (the “**Conversion Notice**”) signed by the holder given to the Company at its Registered Office for the time being;

6.1.3 such conversion shall take effect immediately upon delivery of the Conversion Notice to the Company;

- 6.1.4 the Ordinary Shares resulting from such conversion shall for all purposes rank pari passu with the Ordinary Shares issued prior to the date of such conversion and such Ordinary Shares so resulting and those so issued shall together constitute one class of share;
- 6.1.5 forthwith after conversion the holders of the Ordinary Shares resulting from the conversion shall send to the Company the Certificates in respect of their holding of Preferred Ordinary Shares and the Company shall issue to such holders Certificates for the Ordinary Shares resulting from the conversion.

7. Issue of further shares

- 7.1 Notwithstanding any other provisions of these Articles, in the event of an allotment of any shares in the capital of the Company other than an Exempt Allotment, the directors shall be bound to offer to each member for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the equity share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the equity share capital of the Company for the time being held by such member bears to the total nominal value of the issued equity share capital of the Company immediately prior to the issue of the shares. Any shares issued to a member pursuant to such offer shall be issued upon terms and conditions that are no less beneficial as to payment and otherwise than those made available to other shareholders or such other terms as such member and the Company shall agree.
- 7.2 Notwithstanding any other provisions of these Articles, the directors shall be bound to offer to any member of the Catalyst Group for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the share capital of the Company for the time being held by such member of the Catalyst Group bears to the total issued share capital of the Company immediately prior to the issue of the shares. Any shares issued to a member of the Catalyst Group pursuant to such offer shall be issued upon terms and conditions that are no less beneficial as to payment and otherwise than those made available to other shareholders or such other terms as the Catalyst Group shall agree. Such shares shall at the request of the Catalyst Group be registered in the name or names of any one or more members of the Catalyst Group.
8. Transfers of Shares held by members of the Scottish Enterprise Group, the SEP Group, the 3i Group, the Scottish Enterprise Dunbartonshire Group and the Catalyst Group
- 8.1 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the Scottish Enterprise Group may be made between the member of the Scottish Enterprise Group holding such shares and any other member of the Scottish

Enterprise Group without restriction as to price or otherwise and the directors shall register any such transfer.

8.2 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the 3i Group may be made between the member of the 3i Group holding such shares and any other member of the 3i Group without restriction as to price or otherwise and the directors shall register any such transfer.

8.3 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the Scottish Enterprise Dunbartonshire Group may be made between the member of the Scottish Enterprise Dunbartonshire Group holding such shares and any other member of the Scottish Enterprise Dunbartonshire Group without restriction as to price or otherwise and the directors shall register any such transfer.

8.4 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the Catalyst Group may be made between the member of the Catalyst Group holding such shares and any other member of the Catalyst Group without restriction as to price or otherwise and the directors shall register any such transfer.

9. Transfer of Shares

The directors shall refuse to register any transfer of shares made in contravention of the provisions of these Articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register (and shall register) any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles, the directors may request the transferor, or the person named as the transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably 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.

10. For the purposes of these Articles:

10.1 “Privileged Relation” in relation to a member means the spouse or widow or widower of the member and the member’s children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member’s children.

10.2 “Family Trust” in relation to any member means a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that member and /or a Privileged Relation of the member 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 such members or his Privileged Relations;



- 10.3 “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.
- 11.1 Notwithstanding any other provision in these Articles any member being an individual person, 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 any transfer of shares to trustees to be held upon a Family Trust made during the lifetime of such member may only be made with the consent in writing of an Investor Majority.
- 11.2 Where the consent of an Investor Majority is requested to a transfer to a Family Trust such consent shall only be given when the holders of such shares are satisfied:-
- 11.2.1 with the terms of the trust instrument and in particular with the powers of the trustees;
  - 11.2.2 with the identity of the proposed trustees;
  - 11.2.3 that the proposed transfer will not result in 50% or more in the aggregate of the Company’s equity share capital being held by trustees of that and any other trusts; and
  - 11.2.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 11.3 Where any shares are held by trustees upon a Family Trust:-
- 11.3.1 on any change of trustees such shares may be transferred to the new trustees of that Family Trust;
  - 11.3.2 such shares may be transferred at any time to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor; and
  - 11.3.3 if and whenever any such shares cease to be held upon a Family Trust) otherwise than in consequence of a transfer to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor) a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of the relevant shares (as hereinafter defined) and such shares may not otherwise be transferred);
  - 11.3.4 for the purposes of this Article the expression “relevant shares” means and includes the shares originally transferred to the trustees and any additional

shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

11.3.5 Subject to the provisions of Article 11.3.7, if any person who is an employee ceases to be an employee or (save in respect of a director appointed by any of the Investors) a director of the Company or its subsidiaries by reason of resignation or removal from office and/or dismissal which is not wrongful (such ceasing employee or director being an "Employee Member") then:

11.3.6 a Transfer Notice (as hereinafter defined) shall be deemed to have been served forthwith upon such cessation in respect of all shares held by:-

- i. the relevant Employee Member immediately before such cessation; and
- ii. the Employee Member's Privileged Relations and/or Family Trust immediately before such cessation (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member (ii) by reason of the connection with the Employee Member, and the decision of the board of directors in this respect will be final).

11.3.7 Articles 11.3.5 and 11.3.6 shall not apply to the Founder Member.

11.3.8 If the Founder Member ceases to be an employee or director of the Company by reason of resignation or removal from office and/or dismissal which is not wrongful then:-

11.3.8.1 a Transfer Notice (as hereinafter defined) shall be deemed to have been served forthwith upon such cessation in respect of 80% (by nominal value) of the shares held by:-

11.3.8.1.1 the Founder Member immediately before such cessation; and

11.3.8.1.2 the Founder Member's Privileged Relations and/or Family Trust immediately before such cessation (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Founder Member (ii) by reason of their connection with the Founder Member, and the decision of the board of directors in this respect shall be final).

## 12. Pre-emption Rights on Transfers

shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

11.3.5 Subject to the provisions of Article 11.3.7, if any person who is an employee ceases to be an employee or (save in respect of a director appointed by any of the Investors) a director of the Company or its subsidiaries by reason of resignation or removal from office and/or dismissal which is not wrongful (such ceasing employee or director being an "Employee Member") then:

11.3.6 a Transfer Notice (as hereinafter defined) shall be deemed to have been served forthwith upon such cessation in respect of all shares held by:-

- i. the relevant Employee Member immediately before such cessation; and
- ii. the Employee Member's Privileged Relations and/or Family Trust immediately before such cessation (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member (ii) by reason of the connection with the Employee Member, and the decision of the board of directors in this respect will be final).

11.3.7 Articles 11.3.5 and 11.3.6 shall not apply to the Founder Member.

11.3.8 If the Founder Member ceases to be an employee or director of the Company by reason of resignation or removal from office and/or dismissal which is not wrongful then:-

11.3.8.1 a Transfer Notice (as hereinafter defined) shall be deemed to have been served forthwith upon such cessation in respect of 80% (by nominal value) of the shares held by:-

11.3.8.1.1 the Founder Member immediately before such cessation; and

11.3.8.1.2 the Founder Member's Privileged Relations and/or Family Trust immediately before such cessation (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Founder Member (ii) by reason of their connection with the Founder Member, and the decision of the board of directors in this respect shall be final).

## 12. Pre-emption Rights on Transfers

- 12.1 Save as otherwise provided in these Articles every member who desires to transfer any shares (hereinafter called "the Vendor") shall give to the Company notice in writing of such desire (hereinafter called a "Transfer Notice"). Subject as hereinafter mentioned a Transfer Notice shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called "the Sale Shares") in one or more lots at the discretion of the directors to all the holders of equity shares in the Company other than the Vendor at the Sale Price. The Sale Price shall be the price agreed by the Vendor and the directors or if the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or if the Transfer Notice is a deemed Transfer Notice the price which a chartered accountant (acting as an expert and not as an arbiter) nominated by agreement between the Vendor and the Company or, in default of such agreement, by the President for the time being of the Institute of Chartered Accountants of Scotland shall 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 which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. Save for shares sold pursuant to a deemed Transfer Notice the Transfer Notice may contain a provision (a Total Transfer Provision) that unless all the shares comprised therein are sold by the Company pursuant to this Article none shall be sold and any such provision shall be binding on the Company.
- 12.2 If a chartered accountant is asked to certify the fair value as aforesaid his certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Vendor and save for shares sold pursuant to a deemed Transfer Notice the Vendor 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 Sale Shares. The cost 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 cost.
- 12.3 Upon the price being fixed as aforesaid and provided the Vendor shall not give a valid notice of cancellation the Company shall forthwith offer the Sale Shares to all holders of equity shares (other than the Vendor) pro rata as nearly as may be in proportion to the existing numbers of equity shares held by such members giving details of the number and the Sale Price of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty-one days from the date of the notice whether he is willing to purchase any of the Sale Shares so offered to him and if so the maximum thereof which he is willing to purchase. If at the expiration of the said period of twenty-one days there are any Sale Shares offered which any of the members hereinbefore mentioned have not so stated their willingness to purchase the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. Such remaining shares shall be offered pro rata as nearly as may be in proportion to existing

numbers of equity shares then held by such members which offer shall remain open for a further period of twenty-one days.

- 12.4 If the Company shall pursuant to the above provisions of this Article find a member or members of the Company willing to purchase all or (in the event of a Transfer Notice which does not contain a Total Transfer Provision) any of the Sale Shares the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Vendor shall make default in so doing the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holders of such of the Sale Shares as shall have been transferred to them as aforesaid.
- 12.5 If the directors shall not have found a member or members of the Company willing to purchase all or any of the Sale Shares pursuant to the foregoing provisions of this Article the Vendor shall at any time within six months after the final offer by the Company to its members be at liberty to sell and transfer such of the Sale Shares as have not been so sold to any person at a price being no less than the Sale Price. If the Sale Shares were the subject of a Total Transfer Provision, such a sale may only compromise all the Sale Shares and not part only.
- 12.6 If a member being a company ceases to be within the control (as such term is defined by Section 840 of the Income and Corporation Taxes Act 1988) of the person(s) who controlled such company on the date on which it became a member of the Company or on the date of adoption of these Articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in its name; provided that this Sub-Article shall have no application to any member of the Scottish Enterprise Group or to any member of the Scottish Enterprise Dunbartonshire Group or to any member of the 3i Group or to any member of the Catalyst Group.
- 12.7 A Transfer Notice shall be deemed to have been given to the Company by any member who purports to transfer any shares other than in accordance with these Articles without giving a Transfer Notice to the Company and, in those circumstances, the deemed Transfer Notice shall:-
- 12.7.1 be deemed to apply to the number and class of shares purported to have been transferred;
  - 12.7.2 entitle the Company to require delivery to it of the certificate for the shares purported to have been transferred

and where the context admits reference in these Articles to a Transfer Notice shall include a deemed Transfer Notice and reference in these Articles to a Vendor shall include a member deemed to have served a Transfer Notice.

- 12.8 The foregoing provisions of the Article shall not apply to a transfer if the holders of at least 75% of the equity share capital of the Company so direct in writing and the directors shall be obliged to register any such transfer.

13. Limitation on Transfer

- 13.1 Notwithstanding any other provision of these Articles of Association to the contrary, but without prejudice to the provisions of Article 12, no sale or transfer of any shares in the share capital of the Company shall be made or registered without the previous written consent of an Investor Majority if as a result of such sale or transfer and registration thereof a Controlling Interest (as hereinafter defined) would be obtained in the Company:-

13.1.1 by a company (other than a company to which the immediately following sub-article applies) or by a person or persons (other than a company) who are not Original Members (as hereinafter defined) unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the shares in the capital of the Company at the Specified Price (as hereinafter defined); or

13.1.2 by a company in which one or more of the members of the Company or persons acting in concert (which expression shall have the meaning ascribed to it in the July 1993 edition of the City Code on Takeovers and Mergers) with any member of the Company has a Controlling Interest.

13.2 For the purpose of this Article:-

13.2.1 the expression "a Controlling Interest" shall mean an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act) in a company conferring in the aggregate more than 50% of the total voting rights conferred by all the issued shares in that company;

13.2.2 the expression "Original Members" shall mean persons who were members of the Company on the date of the adoption of these Articles and Family Trusts and Privileged Relations and permitted transferees of such members;

13.2.3 the expressions "transfer" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment; and

13.2.4 the expression “the Specified Price” shall mean at the option of an Investor Majority either:-

13.2.4.1 a price per share of £208.50; or

13.2.4.2 the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for any other shares in the Company plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other shares provided that if any part of the price per share is payable otherwise than by cash any Investor may at his option elect to take a price per share of such cash sum as may be agreed by them having regard to the substance of the transaction as a whole;

and in the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as an expert and not as an arbiter) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants of Scotland) whose decision shall be final and binding.

13.3 Following agreement on the Specified Price, the transferee shall serve a written notice on the shareholders offering to purchase all of the shares held by each shareholder at the Specified Price. The offer shall remain open for acceptance by one or more of the shareholders for 30 days from the date of service.

13.4 Upon a Sale the members who sell shares in such Sale will be entitled to share in the proceeds thereof as if the same had been Liquidation Assets which had been distributed under the provisions of sub-Article 4.2 above.

13.4. All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article.

#### 14. General Meetings and Resolutions

14.1 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 in Table A shall be modified accordingly. 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 accounts, balance sheets and the reports of the directors and Auditors, and the appointment/reappointment of and the fixing of the remuneration of the Auditors.

14.2 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.

14.3 Regulation 40 in Table A shall be read and construed as if the words “at the time when the Meeting proceeds to business” were added at the end of the first sentence.

14.4 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 such adjourned General Meeting shall be dissolved.

14.5 Clause 41 in Table A shall not apply to the Company.

15. Lien

The lien conferred by Regulation 8 in Table A shall attach also to fully paid-up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person 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. Regulation 8 in Table A shall be modified accordingly.

16. Calls on Shares

The liability of any member in default in respect of a call shall be increased by addition at the end of the first sentence of Regulation 18 in Table A of the words “and all expenses that may have been incurred by the Company by reason of such non-payment”.

17. Directors

17.1 The directors shall not be required to retire by rotation and Regulations 73 to 80 (inclusive) in Table A shall not apply to the Company.



- 17.2 Unless otherwise determined by Ordinary Resolution in General Meeting of the Company the number of directors (other than alternate directors) shall not be subject to any maximum and the *minimum number of directors shall be two.*
- 17.3 No person shall be appointed a director at any General Meeting unless either:-
- 17.3.1 he is recommended by the directors; or
- 17.3.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice executed by a member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment, together with notice executed by that person of his willingness to be appointed.
- 17.4 Subject to sub-Article 17.3 above, the Company may by Ordinary Resolution in General Meeting appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- 17.4.1 Notwithstanding any limitation on the number of directors imposed by these Articles from time to time so long as any member of the Scottish Enterprise Group or the 3i Group or the Scottish Enterprise Dunbartonshire Group is the holder of any share or shares in the capital of the Company, the Scottish Enterprise Group, the 3i Group and the Scottish Enterprise Dunbartonshire Group collectively shall, following consultation with the board, be entitled to appoint as a director of the Company any suitably qualified and experienced person and to remove from office any person so appointed and to appoint another suitably qualified and experienced person in his place. Any appointment or removal in terms of this paragraph shall be effected by notice in writing signed by each of an authorised representative of the Scottish Enterprise Group, an authorised representative of the 3i Group and an authorised representative of the Scottish Enterprise Dunbartonshire Group and delivered to the registered office of the Company. The director appointed in terms of this Article shall not be required to hold any share qualification nor shall he be subject to retirement by rotation and the remuneration to be paid to him shall be payable by the Company and shall be such reasonable sum as shall for the time being be agreed for that purpose between the Company and him or failing such agreement such reasonable sum as shall be fixed by the Scottish Enterprise Group, the 3i Group and the Scottish Enterprise Dunbartonshire Group acting collectively. Upon request by the Scottish Enterprise Group, the 3i Group and the Scottish Enterprise Dunbartonshire Group, acting collectively, the Company shall also procure that a director appointed in terms of this sub-Article be appointed a director to any subsidiary of the Company. At the request of the Scottish Enterprise Group, the 3i Group

and the Scottish Enterprise Dunbartonshire Group, acting collectively,~ any director appointed in terms of this sub-Article shall act as Chairman of the board of directors.

17.5

Notwithstanding any limitation on the number of directors imposed by these Articles, from time to time, a Private Investor holding any share in the capital of the Company, shall be entitled to appoint as a director of the Company any suitably qualified and experienced person and to remove from office any person so appointed and to appoint another suitably qualified and experienced person in his place. Any appointment and removal in terms of this Article shall be effected by notice in writing signed by the Private Investor concerned and delivered to the registered office of the Company. The directors appointed in terms of this article shall not be required to hold any share qualification nor shall they be subject to retirement by rotation and the remuneration to be paid to them shall be payable by the Company and shall be such reasonable sum as shall for the time being be agreed for that purpose between the Company and him or failing such agreement such reasonable sum as shall be fixed by the Private Investor who has appointed such director. Upon request by the Private Investor concerned, the Company shall also procure that a director appointed in terms of this Article shall be appointed a director of any subsidiary of the Company.

17.6

Notwithstanding any limitation on the number of such member (or members acting together if more than one) from time to time for so long as a member of the Catalyst Group holds shares in the Company shall be entitled to appoint as a director of the Company any suitably qualified and experienced person and to remove from office any person so appointed and to appoint another suitably qualified and experienced person in his place. Any appointment and removal in terms of this Article shall be effected by notice in writing signed by the members concerned and delivered to the registered office of the Company. The director appointed in terms of this article shall not be required to hold any share qualification nor shall he be subject to retirement by rotation.. Upon request by the member(s) concerned, the Company shall also procure that a director appointed in terms of this Article shall be appointed a director of any subsidiary of the Company.

18.

#### Alternate Directors

18.1

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 appointer may by notice in writing to the Company from time to time direct, and the first sentence of Regulation 66 in Table A shall be modified accordingly.

18.2

A director, or any such other person as is mentioned in Regulation 65 in 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.

19. Disqualification of Directors

The office of a director shall be vacated if he becomes incapable by reason of illness or injury of managing and administering his property and affairs, and Regulation 81 in Table A shall be modified accordingly and in this event if the vacating director is an appointee under Article 17.4.1 or 17.5 hereof, the appointer shall not again appoint the same appointee unless the vacating director recovers from such illness, injury or inability.

20. Proceedings of Directors

20.1 A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it 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 such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

20.2 Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company. The third sentence of Regulation 88 shall not apply to the Company and it shall be necessary to give notice of a meeting to a director who is absent from the United Kingdom.

20.3 Meetings of the directors may be held by conference telephone or similar equipment so long as all the participants can hear and speak to each other. Such meetings shall be as effective as if the directors had met in person.

20.4 The quorum for the transaction of business of the directors shall be 3 directors, of which at least one must be a chairman of the Company for the time being and one must be the director appointed by the Catalyst Group or his alternate, except where the director in question, in respect of his attendance or that of his alternate, has waived such requirement. In the absence of director being appointed by the Catalyst Group, the quorum shall be 2 directors of which at least one must be the chairman of the Company for the time being.

20.5 The fifth sentence of Regulation 88 shall not apply to the Company.

21. Borrowing Powers

21.1 Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):-

21.1 of borrowing or securing the payment of money;

- 21.2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and
- 21.3 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to Section 80 of the Act) issuing debentures, debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party;

PROVIDED THAT;

- 21.4 the directors of the Company shall procure that the aggregate amounts for the time being remaining undischarged by virtue of any of the foregoing operations and by virtue of any like operations by any subsidiary of the Company (including any liability (whether ascertained or contingent) under any guarantee for the time being in force and amounts due under any hire purchase, credit sale, conditional sale or leasing agreements (other than leases of real or heritable property) (and excluding inter-group loans, interest-group guarantees, inter-group mortgages and inter-group charges) shall not without the previous written consent of an Investor Majority exceed £100,000;
- 21.5 no such sanction shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being exceeded;
- 21.6 no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to who the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded;
- 21.7 except with the previous written consent of the holders of an Investor Majority no mortgage or charge shall be created on any part of the undertaking, property or assets of the Company or any subsidiary of the Company, except for the purpose of securing moneys borrowed from any member of the Scottish Enterprise Group, the SEP Group, the 3i Group or the Scottish Enterprise Dunbartonshire Group or the Catalyst Group with interest thereon and the Company's bankers with interest and charges thereon.

22. The Seal

Regulation 6 of Table A shall be modified so as to remove the reference to the Company seal and Regulation 101 of Table A shall be modified by the insertion of the words “if the Company has one” after the words “The seal” at the beginning of that clause.

23. Indemnity

Every 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 reasonably sustain or incur in or about the 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 or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

24. Regulation 118 in Table A shall not apply to the Company.

**DIAGNOSTIC POTENTIALS LIMITED**  
(Incorporated in Scotland, Number SC178691)

I certify that this is a true copy of the following written resolution passed on “

17/10/02

**WRITTEN RESOLUTIONS**

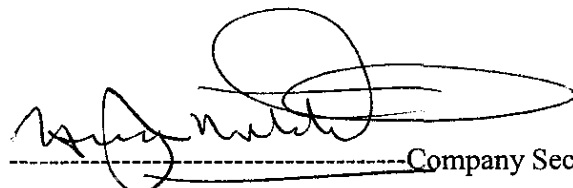
We, being all the members of the Company for the time being who would be entitled to attend and vote at a general meeting of the Company at which the undernoted resolutions were proposed hereby pass the following resolutions as written resolutions of the Company and agree that pursuant to regulation 4 of the Articles of Association of the Company the resolutions be valid and effective as if the same had been passed by us as special resolutions at a general meeting of the Company duly convened and held:

1. “THAT:-

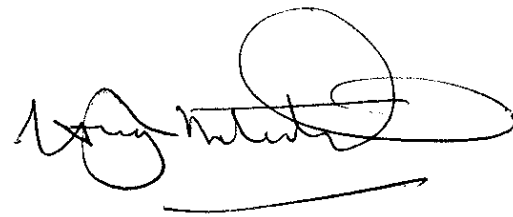
- (A) the authorised share capital of the Company be and is hereby increased from £5:275 to £7:910 by the creation of 2635 Preferred Ordinary Shares of £0.001 having the rights and privileges conferred by the Articles of Association referred to at resolution 2 following; and
- (B) the directors be and are hereby authorised generally and unconditionally, pursuant to section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) up to the amount of the authorised and unissued share capital of the Company such authority to expire (unless previously renewed, varied or revoked by the Company in general meeting) on the day prior to the fifth anniversary of the date upon which this resolution is passed, save that the Company may, before this authority expires or is replaced, make an offer or agreement which would or might require relevant securities to be allotted after such expiry or replacement and the directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired, or as the case may be, been replaced.”

2. “THAT the draft regulations annexed to these written resolutions and signed by each of us for the purposes of identification shall be adopted as the Company’s articles of association in substitution for and to the exclusion of the existing articles of association.”

3. “THAT these Written Resolutions be effective whether contained within one document signed by us all or whether within a number of separate counterparts and that the date of the resolutions will be the last date on which either the single document is signed or if by counterparts the date of signing of the latest counterpart to be signed. “

  
-----Company Secretary

“



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## ARTICLES OF ASSOCIATION

OF

### DIAGNOSTIC POTENTIALS LIMITED

Adopted by special resolution on [ ]

#### Interpretation

1. In these Articles the undernoted expressions shall have the meanings set opposite them below:-

"the Act"	shall mean the Companies Act 1985 (as amended) including any statutory modification or re-enactment for the time being in force;
"Catalyst"	shall mean Catalyst Biomedica Limited, a company incorporated in England with registered number 3443126 whose registered office is 183 Euston Road, London NW1 2BE;
"Catalyst Group"	shall mean Catalyst, the Wellcome Trust, The Wellcome Trust Limited and any subsidiaries or holding company of the Wellcome Trust Limited and "member of the Catalyst Group" shall be construed accordingly;
"Exempt Allotment"	shall mean any allotment of shares in the capital of the Company pursuant to the Subscription Agreement;
"3i"	shall mean 3i Group plc registered number 1142830 and having its registered office at 91 Waterloo Road, London SE1 8XP;
"3i Group"	shall mean 3i, any subsidiary of 3i and any company of which 3i is a subsidiary and the expression "member of the 3i Group" shall be construed accordingly;

“the Founder Member”	Dr Kerry W Kilborn residing at 53 St Andrew’s Drive, Bridge of Weir, Renfrewshire PA11 3HU;
“the Institutional Investors”	shall mean those members of the Scottish Enterprise Group, the Scottish Enterprise Dunbartonshire Group, the 3i Group and the Catalyst Group that are, for the time being, the holders of shares in the capital of the Company;
“the Investors”	shall mean the Institutional Investors and those of the Private Investor Group that are, for the time being, the holders of shares in the capital of the Company;
“an Investor Majority”	shall mean those Investors who are, at the relevant time, the holders of 75% or more of the aggregate number of issued Ordinary Shares and Preferred Ordinary Shares in the capital of the Company which are owned by Investors from time to time;
“the Private Investors”	shall mean Hugh Mitchell of 11 Grange View, Linlithgow, West Lothian EH49 7HY and Peter Kevin Moore of 14 Eden Park, Bothwell, Glasgow;
“the Private Investor Group”	shall mean the Private Investors and the Privileged Relations and Family Trusts of the Private Investors;
“Sale”	means a sale or transfer of shares in the Company if it would result in a person or persons (other than a member of the Catalyst Group) obtaining a Controlling Interest (as defined in Article 13.2.1) in the Company;
“Scottish Enterprise”	shall mean Scottish Enterprise, established by the Enterprise and New Towns (Scotland) Act 1990 and having its principal place of business at 150 Broomielaw, Atlantic Quay, Glasgow, G2 8WQ;
“Scottish Enterprise Dunbartonshire”	shall mean Scottish Enterprise Dunbartonshire, a company limited by guarantee and not having a share capital and whose registered office is at Spectrum House, Clydebank Business Park, Clydebank G81 2DR;



“the Scottish Enterprise Dunbartonshire Group” shall mean Scottish Enterprise Dunbartonshire and any subsidiary or holding company for the time being of Scottish Enterprise Dunbartonshire or any body of persons which shall have acquired the whole or substantially the whole of the undertaking of Scottish Enterprise Dunbartonshire or a Scottish Enterprise Dunbartonshire Successor and the expression “member of the Scottish Enterprise Dunbartonshire Group” shall be construed accordingly;

“Scottish Enterprise Dunbartonshire Successor” shall mean any party succeeding in whole or in part to the interest of Scottish Enterprise Dunbartonshire;

“the Scottish Enterprise Group” shall mean Scottish Enterprise, any subsidiary for the time being of Scottish Enterprise and any company, corporation or other body of persons which shall have acquired the whole or substantially the whole of the undertaking of Scottish Enterprise or any subsidiary of such company, corporation or body and any other body to which the statutory functions of Scottish Enterprise have been delegated or a Scottish Enterprise Successor and the expression “member of the Scottish Enterprise Group” shall be construed accordingly;

“Scottish Enterprise Successor” shall mean any party succeeding in whole or in part to the interest of Scottish Enterprise;

“Subscription Agreement” shall mean the agreement among the Company, Dr Kerry W Kilborn, the Institutional Investors and the Private Investors executed by the Company of even date with the adoption of these articles of association;

“Wellcome Trust” shall mean the Wellcome Trust, a charity registered in England and Wales with number 210183, with offices at 183 Euston Rd, London NW1 2BE;

“Wellcome Trust Limited” shall mean The Wellcome Trust Limited (as trustee of the Wellcome Trust) a company registered under Company number 02711000 and having its registered office at 183 Euston Road, London NW1 2BE.

2. The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.
- 3.1 Unless the context requires otherwise the words or expressions contained in these Articles bear the same meaning as in the Act or, in the Companies Act 1989, but excluding any statutory modification thereof not in force on the date of adoption of these Articles.
- 3.2 The expressions "holding company" and "subsidiary" shall have the meanings ascribed to them respectively in section 736 and section 736A of the Companies Act 1985.
- 3.3 In the Articles:
- a) Article headings are included for convenience only and shall not affect the construction of these Articles;
  - b) words denoting the singular shall include the plural and vice versa;
  - c) words denoting one gender include each gender and all genders;
  - d) references to persons are deemed to include references to natural persons, to firms, to partnerships, to companies, to corporations, to associations, to organisations and to trusts (in each case whether or not having separate legal personality).
4. Share Capital
- 4.1 The authorised Share Capital of the Company at the date of adoption of these Articles is £7.91p divided into 5275 Ordinary Shares of £0.001 each (in these Articles referred to as "Ordinary Shares") and 2635 Preferred Ordinary Shares of £0.001 each (in these Articles referred to as "Preferred Ordinary Shares"). The Ordinary Shares and the Preferred Ordinary Shares shall rank pari passu as if the same constituted one class of shares unless otherwise indicated in these Articles. Every member shall have one vote per share (whether Ordinary Share or Preferred Ordinary Share) held by him. The rights attaching to the Ordinary Shares and the Preferred Ordinary Shares respectively shall be as follows:
- 4.2 On a return of assets on liquidation or capital reduction or otherwise the assets of the Company remaining after payment of its liabilities ("Liquidation Assets") shall be applied as follows:
- 4.2.1. First, in paying to the holders of the Preferred Ordinary Shares as a class an amount equal to £X where X = the total of (1) the amount of any grant received by the Company from the Wellcome Trust plus (2) interest on the amount of any such grants from the date of receipt by the Company of the

relevant grant (or on each instalment of the grant if paid by instalments from the date of receipt by the Company of each instalment) at 8% per annum compounded every 12 months from the date of receipt by the Company of the grant or the relevant instalment;

- 4.2.2 Second and after satisfaction of 4.2.1, the holders of the Ordinary Shares as a class shall share an amount equal to £X, X being defined as in 4.2.1 above, rateably according to the number of shares held by each of them respectively;
- 4.2.3 Third and after satisfaction of 4.2.1 and 4.2.2, the balance of such assets shall be distributed among the holders of the Ordinary Shares and the Preferred Ordinary Shares rateably according to the number of shares held by them respectively as if the Ordinary Shares and the Preferred Ordinary Shares all constituted one class.

- 4.3 Unless an Investor Majority agree otherwise and so direct in writing, a minimum of 30% of the distributable profits of the Company in respect of each financial year of the Company shall be distributed to the members on the date on which the audited accounts for the year in question are approved by the Directors and Auditors of the Company without any recommendation by the Directors or resolution of the Company in general meeting being required and Regulations 102 to 108 of Table A shall be modified accordingly.

## 5. Transactions requiring consent of Catalyst

- 5.1 The Company shall not without the consent in writing of the holders of all of the issued Preferred Ordinary Shares of the Company vary the rights attached to any of the shares for the time being in the capital of the Company (other than in the case of an Exempt Allotment).

## 6. Conversion of Preferred Ordinary Shares

- 6.1 The holders of Preferred Ordinary Shares shall be entitled at any time to convert all (but not some only) of the Preferred Ordinary Shares held by them into Ordinary Shares and the following provisions shall have effect: -
  - 6.1.1 the basis of such conversion shall be one Ordinary Share of £0.001 for each Preferred Ordinary Share held;
  - 6.1.2 such conversion shall be effected by notice in writing (the “**Conversion Notice**”) signed by the holder given to the Company at its Registered Office for the time being;
  - 6.1.3 such conversion shall take effect immediately upon delivery of the Conversion Notice to the Company;

- 6.1.4 the Ordinary Shares resulting from such conversion shall for all purposes rank pari passu with the Ordinary Shares issued prior to the date of such conversion and such Ordinary Shares so resulting and those so issued shall together constitute one class of share;
- 6.1.5 forthwith after conversion the holders of the Ordinary Shares resulting from the conversion shall send to the Company the Certificates in respect of their holding of Preferred Ordinary Shares and the Company shall issue to such holders Certificates for the Ordinary Shares resulting from the conversion.

7. Issue of further shares

- 7.1 Notwithstanding any other provisions of these Articles, in the event of an allotment of any shares in the capital of the Company other than an Exempt Allotment, the directors shall be bound to offer to each member for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the equity share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the equity share capital of the Company for the time being held by such member bears to the total nominal value of the issued equity share capital of the Company immediately prior to the issue of the shares. Any shares issued to a member pursuant to such offer shall be issued upon terms and conditions that are no less beneficial as to payment and otherwise than those made available to other shareholders or such other terms as such member and the Company shall agree.
- 7.2 Notwithstanding any other provisions of these Articles, the directors shall be bound to offer to any member of the Catalyst Group for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the share capital of the Company for the time being held by such member of the Catalyst Group bears to the total issued share capital of the Company immediately prior to the issue of the shares. Any shares issued to a member of the Catalyst Group pursuant to such offer shall be issued upon terms and conditions that are no less beneficial as to payment and otherwise than those made available to other shareholders or such other terms as the Catalyst Group shall agree. Such shares shall at the request of the Catalyst Group be registered in the name or names of any one or more members of the Catalyst Group.
8. Transfers of Shares held by members of the Scottish Enterprise Group, the SEP Group, the 3i Group, the Scottish Enterprise Dunbartonshire Group and the Catalyst Group
- 8.1 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the Scottish Enterprise Group may be made between the member of the Scottish Enterprise Group holding such shares and any other member of the Scottish

Enterprise Group without restriction as to price or otherwise and the directors shall register any such transfer.

- 8.2 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the 3i Group may be made between the member of the 3i Group holding such shares and any other member of the 3i Group without restriction as to price or otherwise and the directors shall register any such transfer.
- 8.3 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the Scottish Enterprise Dunbartonshire Group may be made between the member of the Scottish Enterprise Dunbartonshire Group holding such shares and any other member of the Scottish Enterprise Dunbartonshire Group without restriction as to price or otherwise and the directors shall register any such transfer.
- 8.4 Notwithstanding any other provisions of these Articles a transfer of shares in the Company held by any member of the Catalyst Group may be made between the member of the Catalyst Group holding such shares and any other member of the Catalyst Group without restriction as to price or otherwise and the directors shall register any such transfer.

9. Transfer of Shares

The directors shall refuse to register any transfer of shares made in contravention of the provisions of these Articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register (and shall register) any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles, the directors may request the transferor, or the person named as the transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably 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.

10. For the purposes of these Articles:

- 10.1 “Privileged Relation” in relation to a member means the spouse or widow or widower of the member and the member’s children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member’s children.
- 10.2 “Family Trust” in relation to any member means a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that member and /or a Privileged Relation of the member 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 such members or his Privileged Relations;

- 10.3 “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.
- 11.1 Notwithstanding any other provision in these Articles any member being an individual person, 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 any transfer of shares to trustees to be held upon a Family Trust made during the lifetime of such member may only be made with the consent in writing of an Investor Majority.
- 11.2 Where the consent of an Investor Majority is requested to a transfer to a Family Trust such consent shall only be given when the holders of such shares are satisfied:-
- 11.2.1 with the terms of the trust instrument and in particular with the powers of the trustees;
  - 11.2.2 with the identity of the proposed trustees;
  - 11.2.3 that the proposed transfer will not result in 50% or more in the aggregate of the Company’s equity share capital being held by trustees of that and any other trusts; and
  - 11.2.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 11.3 Where any shares are held by trustees upon a Family Trust:-
- 11.3.1 on any change of trustees such shares may be transferred to the new trustees of that Family Trust;
  - 11.3.2 such shares may be transferred at any time to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor; and
  - 11.3.3 if and whenever any such shares cease to be held upon a Family Trust) otherwise than in consequence of a transfer to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor) a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of the relevant shares (as hereinafter defined) and such shares may not otherwise be transferred);
  - 11.3.4 for the purposes of this Article the expression “relevant shares” means and includes the shares originally transferred to the trustees and any additional

shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

11.3.5 Subject to the provisions of Article 11.3.7, if any person who is an employee ceases to be an employee or (save in respect of a director appointed by any of the Investors) a director of the Company or its subsidiaries by reason of resignation or removal from office and/or dismissal which is not wrongful (such ceasing employee or director being an "Employee Member") then:

11.3.6 a Transfer Notice (as hereinafter defined) shall be deemed to have been served forthwith upon such cessation in respect of all shares held by:-

- i. the relevant Employee Member immediately before such cessation; and
- ii. the Employee Member's Privileged Relations and/or Family Trust immediately before such cessation (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member (ii) by reason of the connection with the Employee Member, and the decision of the board of directors in this respect will be final).

11.3.7 Articles 11.3.5 and 11.3.6 shall not apply to the Founder Member.

11.3.8 If the Founder Member ceases to be an employee or director of the Company by reason of resignation or removal from office and/or dismissal which is not wrongful then:-

11.3.8.1 a Transfer Notice (as hereinafter defined) shall be deemed to have been served forthwith upon such cessation in respect of 80% (by nominal value) of the shares held by:-

11.3.8.1.1 the Founder Member immediately before such cessation; and

11.3.8.1.2 the Founder Member's Privileged Relations and/or Family Trust immediately before such cessation (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Founder Member (ii) by reason of their connection with the Founder Member, and the decision of the board of directors in this respect shall be final).

## 12. Pre-emption Rights on Transfers

- 12.1 Save as otherwise provided in these Articles every member who desires to transfer any shares (hereinafter called "the Vendor") shall give to the Company notice in writing of such desire (hereinafter called a "Transfer Notice"). Subject as hereinafter mentioned a Transfer Notice shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called "the Sale Shares") in one or more lots at the discretion of the directors to all the holders of equity shares in the Company other than the Vendor at the Sale Price. The Sale Price shall be the price agreed by the Vendor and the directors or if the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or if the Transfer Notice is a deemed Transfer Notice the price which a chartered accountant (acting as an expert and not as an arbiter) nominated by agreement between the Vendor and the Company or, in default of such agreement, by the President for the time being of the Institute of Chartered Accountants of Scotland shall 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 which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. Save for shares sold pursuant to a deemed Transfer Notice the Transfer Notice may contain a provision (a Total Transfer Provision) that unless all the shares comprised therein are sold by the Company pursuant to this Article none shall be sold and any such provision shall be binding on the Company.
- 12.2 If a chartered accountant is asked to certify the fair value as aforesaid his certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Vendor and save for shares sold pursuant to a deemed Transfer Notice the Vendor 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 Sale Shares. The cost 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 cost.
- 12.3 Upon the price being fixed as aforesaid and provided the Vendor shall not give a valid notice of cancellation the Company shall forthwith offer the Sale Shares to all holders of equity shares (other than the Vendor) pro rata as nearly as may be in proportion to the existing numbers of equity shares held by such members giving details of the number and the Sale Price of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty-one days from the date of the notice whether he is willing to purchase any of the Sale Shares so offered to him and if so the maximum thereof which he is willing to purchase. If at the expiration of the said period of twenty-one days there are any Sale Shares offered which any of the members hereinbefore mentioned have not so stated their willingness to purchase the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. Such remaining shares shall be offered pro rata as nearly as may be in proportion to existing



numbers of equity shares then held by such members which offer shall remain open for a further period of twenty-one days.

- 12.4 If the Company shall pursuant to the above provisions of this Article find a member or members of the Company willing to purchase all or (in the event of a Transfer Notice which does not contain a Total Transfer Provision) any of the Sale Shares the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Vendor shall make default in so doing the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holders of such of the Sale Shares as shall have been transferred to them as aforesaid.
- 12.5 If the directors shall not have found a member or members of the Company willing to purchase all or any of the Sale Shares pursuant to the foregoing provisions of this Article the Vendor shall at any time within six months after the final offer by the Company to its members be at liberty to sell and transfer such of the Sale Shares as have not been so sold to any person at a price being no less than the Sale Price. If the Sale Shares were the subject of a Total Transfer Provision, such a sale may only compromise all the Sale Shares and not part only.
- 12.6 If a member being a company ceases to be within the control (as such term is defined by Section 840 of the Income and Corporation Taxes Act 1988) of the person(s) who controlled such company on the date on which it became a member of the Company or on the date of adoption of these Articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in its name; provided that this Sub-Article shall have no application to any member of the Scottish Enterprise Group or to any member of the Scottish Enterprise Dunbartonshire Group or to any member of the 3i Group or to any member of the Catalyst Group.:
- 12.7 A Transfer Notice shall be deemed to have been given to the Company by any member who purports to transfer any shares other than in accordance with these Articles without giving a Transfer Notice to the Company and, in those circumstances, the deemed Transfer Notice shall:-
- 12.7.1 be deemed to apply to the number and class of shares purported to have been transferred;
  - 12.7.2 entitle the Company to require delivery to it of the certificate for the shares purported to have been transferred

and where the context admits reference in these Articles to a Transfer Notice shall include a deemed Transfer Notice and reference in these Articles to a Vendor shall include a member deemed to have served a Transfer Notice.

- 12.8 The foregoing provisions of the Article shall not apply to a transfer if the holders of at least 75% of the equity share capital of the Company so direct in writing and the directors shall be obliged to register any such transfer.

13. Limitation on Transfer

- 13.1 Notwithstanding any other provision of these Articles of Association to the contrary, but without prejudice to the provisions of Article 12, no sale or transfer of any shares in the share capital of the Company shall be made or registered without the previous written consent of an Investor Majority if as a result of such sale or transfer and registration thereof a Controlling Interest (as hereinafter defined) would be obtained in the Company:-

13.1.1 by a company (other than a company to which the immediately following sub-article applies) or by a person or persons (other than a company) who are not Original Members (as hereinafter defined) unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the shares in the capital of the Company at the Specified Price (as hereinafter defined); or

13.1.2 by a company in which one or more of the members of the Company or persons acting in concert (which expression shall have the meaning ascribed to it in the July 1993 edition of the City Code on Takeovers and Mergers) with any member of the Company has a Controlling Interest.

- 13.2 For the purpose of this Article:-

13.2.1 the expression "a Controlling Interest" shall mean an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act) in a company conferring in the aggregate more than 50% of the total voting rights conferred by all the issued shares in that company;

13.2.2 the expression "Original Members" shall mean persons who were members of the Company on the date of the adoption of these Articles and Family Trusts and Privileged Relations and permitted transferees of such members;

13.2.3 the expressions "transfer" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment; and

13.2.4 the expression "the Specified Price" shall mean at the option of an Investor Majority either:-

13.2.4.1 a price per share of £208.50; or

13.2.4.2 the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for any other shares in the Company plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other shares provided that if any part of the price per share is payable otherwise than by cash any Investor may at his option elect to take a price per share of such cash sum as may be agreed by them having regard to the substance of the transaction as a whole;

and in the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as an expert and not as an arbiter) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants of Scotland) whose decision shall be final and binding.

13.3 Following agreement on the Specified Price, the transferee shall serve a written notice on the shareholders offering to purchase all of the shares held by each shareholder at the Specified Price. The offer shall remain open for acceptance by one or more of the shareholders for 30 days from the date of service.

13.4 Upon a Sale the members who sell shares in such Sale will be entitled to share in the proceeds thereof as if the same had been Liquidation Assets which had been distributed under the provisions of sub-Article 4.2 above.

13.4. All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article.

#### 14. General Meetings and Resolutions

14.1 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 in Table A shall be modified accordingly. 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 accounts, balance sheets and the reports of the directors and Auditors, and the appointment/reappointment of and the fixing of the remuneration of the Auditors.

14.2 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.

14.3 Regulation 40 in Table A shall be read and construed as if the words “at the time when the Meeting proceeds to business” were added at the end of the first sentence.

14.4 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 such adjourned General Meeting shall be dissolved.

14.5 Clause 41 in Table A shall not apply to the Company.

15. Lien

The lien conferred by Regulation 8 in Table A shall attach also to fully paid-up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person 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. Regulation 8 in Table A shall be modified accordingly.

16. Calls on Shares

The liability of any member in default in respect of a call shall be increased by addition at the end of the first sentence of Regulation 18 in Table A of the words “and all expenses that may have been incurred by the Company by reason of such non-payment”.

17. Directors

17.1 The directors shall not be required to retire by rotation and Regulations 73 to 80 (inclusive) in Table A shall not apply to the Company.

- 17.2 Unless otherwise determined by Ordinary Resolution in General Meeting of the Company the number of directors (other than alternate directors) shall not be subject to any maximum and the minimum number of directors shall be two.
- 17.3 No person shall be appointed a director at any General Meeting unless either:-
- 17.3.1 he is recommended by the directors; or
- 17.3.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice executed by a member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment, together with notice executed by that person of his willingness to be appointed.
- 17.4 Subject to sub-Article 17.3 above, the Company may by Ordinary Resolution in General Meeting appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- 17.4.1 Notwithstanding any limitation on the number of directors imposed by these Articles from time to time so long as any member of the Scottish Enterprise Group or the 3i Group or the Scottish Enterprise Dunbartonshire Group is the holder of any share or shares in the capital of the Company, the Scottish Enterprise Group, the 3i Group and the Scottish Enterprise Dunbartonshire Group collectively shall, following consultation with the board, be entitled to appoint as a director of the Company any suitably qualified and experienced person and to remove from office any person so appointed and to appoint another suitably qualified and experienced person in his place. Any appointment or removal in terms of this paragraph shall be effected by notice in writing signed by each of an authorised representative of the Scottish Enterprise Group, an authorised representative of the 3i Group and an authorised representative of the Scottish Enterprise Dunbartonshire Group and delivered to the registered office of the Company. The director appointed in terms of this Article shall not be required to hold any share qualification nor shall he be subject to retirement by rotation and the remuneration to be paid to him shall be payable by the Company and shall be such reasonable sum as shall for the time being be agreed for that purpose between the Company and him or failing such agreement such reasonable sum as shall be fixed by the Scottish Enterprise Group, the 3i Group and the Scottish Enterprise Dunbartonshire Group acting collectively. Upon request by the Scottish Enterprise Group, the 3i Group and the Scottish Enterprise Dunbartonshire Group, acting collectively, the Company shall also procure that a director appointed in terms of this sub-Article be appointed a director to any subsidiary of the Company. At the request of the Scottish Enterprise Group, the 3i Group

and the Scottish Enterprise Dunbartonshire Group, acting collectively, – any director appointed in terms of this sub-Article shall act as Chairman of the board of directors.

17.5 Notwithstanding any limitation on the number of directors imposed by these Articles, from time to time, a Private Investor holding any share in the capital of the Company, shall be entitled to appoint as a director of the Company any suitably qualified and experienced person and to remove from office any person so appointed and to appoint another suitably qualified and experienced person in his place. Any appointment and removal in terms of this Article shall be effected by notice in writing signed by the Private Investor concerned and delivered to the registered office of the Company. The directors appointed in terms of this article shall not be required to hold any share qualification nor shall they be subject to retirement by rotation and the remuneration to be paid to them shall be payable by the Company and shall be such reasonable sum as shall for the time being be agreed for that purpose between the Company and him or failing such agreement such reasonable sum as shall be fixed by the Private Investor who has appointed such director. Upon request by the Private Investor concerned, the Company shall also procure that a director appointed in terms of this Article shall be appointed a director of any subsidiary of the Company.

17.6 Notwithstanding any limitation on the number of such member (or members acting together if more than one) from time to time for so long as a member of the Catalyst Group holds shares in the Company shall be entitled to appoint as a director of the Company any suitably qualified and experienced person and to remove from office any person so appointed and to appoint another suitably qualified and experienced person in his place. Any appointment and removal in terms of this Article shall be effected by notice in writing signed by the members concerned and delivered to the registered office of the Company. The director appointed in terms of this article shall not be required to hold any share qualification nor shall he be subject to retirement by rotation.. Upon request by the member(s) concerned, the Company shall also procure that a director appointed in terms of this Article shall be appointed a director of any subsidiary of the Company.

## 18. Alternate Directors

18.1 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 appointer may by notice in writing to the Company from time to time direct, and the first sentence of Regulation 66 in Table A shall be modified accordingly.

18.2 A director, or any such other person as is mentioned in Regulation 65 in 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.

19. Disqualification of Directors

The office of a director shall be vacated if he becomes incapable by reason of illness or injury of managing and administering his property and affairs, and Regulation 81 in Table A shall be modified accordingly and in this event if the vacating director is an appointee under Article 17.4.1 or 17.5 hereof, the appointer shall not again appoint the same appointee unless the vacating director recovers from such illness, injury or inability.

20. Proceedings of Directors

20.1 A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it 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 such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

20.2 Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company. The third sentence of Regulation 88 shall not apply to the Company and it shall be necessary to give notice of a meeting to a director who is absent from the United Kingdom.

20.3 Meetings of the directors may be held by conference telephone or similar equipment so long as all the participants can hear and speak to each other. Such meetings shall be as effective as if the directors had met in person.

20.4 The quorum for the transaction of business of the directors shall be 3 directors, of which at least one must be a chairman of the Company for the time being and one must be the director appointed by the Catalyst Group or his alternate, except where the director in question, in respect of his attendance or that of his alternate, has waived such requirement. In the absence of director being appointed by the Catalyst Group, the quorum shall be 2 directors of which at least one must be the chairman of the Company for the time being.

20.5 The fifth sentence of Regulation 88 shall not apply to the Company.

21. Borrowing Powers

21.1 Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):-

21.1 of borrowing or securing the payment of money;

- 21.2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and
- 21.3 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to Section 80 of the Act) issuing debentures, debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party;

PROVIDED THAT;

- 21.4 the directors of the Company shall procure that the aggregate amounts for the time being remaining undischarged by virtue of any of the foregoing operations and by virtue of any like operations by any subsidiary of the Company (including any liability (whether ascertained or contingent) under any guarantee for the time being in force and amounts due under any hire purchase, credit sale, conditional sale or leasing agreements (other than leases of real or heritable property) (and excluding inter-group loans, interest-group guarantees, inter-group mortgages and inter-group charges) shall not without the previous written consent of an Investor Majority exceed £100,000;
- 21.5 no such sanction shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being exceeded;
- 21.6 no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to who the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded;
- 21.7 except with the previous written consent of the holders of an Investor Majority no mortgage or charge shall be created on any part of the undertaking, property or assets of the Company or any subsidiary of the Company, except for the purpose of securing moneys borrowed from any member of the Scottish Enterprise Group, the SEP Group, the 3i Group or the Scottish Enterprise Dunbartonshire Group or the Catalyst Group with interest thereon and the Company's bankers with interest and charges thereon.

22. The Seal



Regulation 6 of Table A shall be modified so as to remove the reference to the Company seal and Regulation 101 of Table A shall be modified by the insertion of the words "if the Company has one" after the words "The seal" at the beginning of that clause.

23. Indemnity

Every 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 reasonably sustain or incur in or about the 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 or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

24. Regulation 118 in Table A shall not apply to the Company.