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If you have sold or otherwise transferred all of your ordinary shares in Accsys Technologies PLC (the "**Company**"), please forward this document and the accompanying form of proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Persons holding their ordinary shares in Accsys Technologies PLC through Euroclear Nederland B.V. ("**Euroclear**") via banks and brokers are not included in the Company's register of members - such ordinary shares are included in the register of members under the name of Euroclear. If anyone who holds their ordinary shares through Euroclear wishes to (i) attend the Annual General Meeting or (ii) to appoint a proxy to attend, speak and vote on their behalf or (iii) give voting instructions without attending the Annual General Meeting, they must instruct Euroclear accordingly. To do this, they are advised to contact their bank or broker as soon as possible and advise them which of the three options they prefer. In all cases, the validity of the instruction will be conditional upon ownership of the shares at 9.00am (UK time) on 23 July 2010.

Anyone holding their shares through Euroclear attending the Annual General Meeting may be asked to identify themselves at the Annual General Meeting using a valid passport, identity card or driving licence.



ACCSYS TECHNOLOGIES PLC
(Incorporated in England and Wales with registered no. 5534340)

**NOTICE OF
2010 ANNUAL GENERAL MEETING**

Notice of the Annual General Meeting of the Company to be held at the Company's offices at Kensington Centre, 66 Hammersmith Road, London W14 8UD on Tuesday, 27 July 2010 at 9.00 a.m. (UK time), is set out on pages 5 to 9 of this document. A form of proxy is also attached at the end of this document for use at the Annual General Meeting. Forms of proxy should be completed, signed, dated and returned to the Company's Registrars, SLC Registrars, by post at Thames House, Portsmouth Road, Esher, Surrey KT10 9AD or by sending a completed, signed and dated scanned version of the proxy form by email to accsysproxy@davidvenus.com as soon as possible and in any event so as to be received not later than 48 hours before (excluding days which are not working days) the time fixed for the Meeting, being 9.00 a.m. (UK time) on Friday, 23 July 2010.

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ACCSYS TECHNOLOGIES PLC

(Incorporated in England and Wales with registered no. 5534340)

Directors:

Willy Paterson-Brown* (*Chairman*)
Paul Clegg (*Chief Executive Officer*)
Hans Pauli (*Chief Financial Officer*)
Kevin Wood*
Gordon Campbell*
Lord Sanderson of Bowden*

(* *Non-Executive Director*)

Registered Office:

Kensington Centre
66 Hammersmith Road
London
W14 8UD

2 July 2010

Dear Shareholder,

2010 ANNUAL GENERAL MEETING

I am writing to give you details of the resolutions to be proposed at this year's Annual General Meeting to be held at 9.00 a.m. (UK time) on Tuesday, 27 July 2010 at the Company's offices at Kensington Centre, 66 Hammersmith Road, London W14 8UD, and which are set out in the notice of Annual General Meeting on pages 5 to 9 of this document.

Shareholders should read the contents of this document in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2010, together with the reports of the Directors and auditors thereon (all together, the "**2010 Financial Statements**") enclosed with this document.

ANNUAL GENERAL MEETING

The resolutions set out below will be proposed at this year's Annual General Meeting. Resolutions 1 to 8 are to be proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 9 to 12 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolutions nos. 1 - 7 - 'Ordinary Business'

Resolutions nos. 1 - 7 to be proposed at the Annual General Meeting are all 'ordinary business' of the Annual General Meeting and will each be proposed as an ordinary resolution as follows:-

- (i) the receipt and adoption of the audited financial statements of the Company for the financial year ended 31 March 2010 (*resolution no. 1*);
- (ii) the approval of the Directors' Remuneration Report for the financial years ended 31 March 2008, 31 March 2009 and 31 March 2010 (*resolution no. 2*);
- (iii) the re-election of Lord Sanderson of Bowden and Kevin Wood, who retire by rotation as Directors under article 97 of the Company's current articles of association and, being eligible, offer themselves for re-election as Directors at the Annual General Meeting (*resolutions no. 3 and 4*);
- (iv) the re-election of Hans Pauli who has been appointed by the Board since the last Annual General Meeting, retires as a Director under article 103 of the Company's current articles of association and, being eligible, offers himself for re-election as a Director (*resolution no. 5*);
- (v) the re-appointment of BDO Stoy Hayward LLP as auditors of the Company (*resolution no. 6*); and
- (vi) the authorisation of the Directors to determine the auditors' remuneration (*resolution no. 7*).

Re-election of Directors

Hans Pauli acts as Chief Financial Officer of the Company through a service contract dated 1 March 2010.

Lord Sanderson of Bowden and Kevin Wood act as Non-Executive Directors of the Company and have letters of appointment dated 18 June 2008 and 1 April 2010 respectively with the Company. The Chairman confirms that, following formal performance evaluation, the performance of each of these directors continues to be effective and continues to demonstrate commitment to the role.

Further information about these Directors may be found in my Chairman's Statement at pages 1 and 2 of the enclosed 2010 Financial Statements.

Resolutions nos. 8 - 12 – 'Special Business'

Resolutions nos. 8 - 12 comprise five items of 'special business' of the Meeting - of which resolution no. 8 is proposed as an ordinary resolution and resolution nos. 9 – 12 (inclusive) are to be proposed as special resolutions - as follows:-

Resolution no. 8 – Renewal of Authority for Directors to allot shares generally

Resolution no. 8 will be proposed as an ordinary resolution to give the Directors a general authority, in accordance with section 551 of the Act, to allot shares. Paragraph (A) of this resolution would give the Directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to €668,675 (representing 66,867,500) ordinary shares of €0.01 each. This amount represents approximately one-third of the issued ordinary share capital of the Company as at the date of this document.

In line with guidance issued by the Association of British Insurers ("ABI"), paragraph (B) of this resolution would give the Directors authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to €1,076,625.36 (representing 107,662,536 ordinary shares of €0.01 each), as reduced by the nominal amount of any shares issued under paragraph (A) of this resolution. This amount (before any reduction) represents approximately half of the issued ordinary share capital of the Company as at the date of this document.

The authorities sought under paragraphs (A) and (B) of this resolution will expire at the conclusion of next year's Annual General Meeting or 15 months after the passing of the resolution (whichever is earlier).

This authority replaces the authority to allot shares generally as given to the Directors at last year's Annual General Meeting. The Directors have no present intention to exercise either of the authorities sought under this resolution, but it will give them flexibility should appropriate business opportunities arise.

Resolution no. 9 – Renewal of Authority for Directors to allot shares for cash disapplying statutory pre-emption rights

Resolution no. 9 will be proposed as a special resolution to authorise the Directors to allot ordinary shares for cash (otherwise than *pro rata* to existing shareholdings) in connection with a rights issue, open offer or any other pre-emptive offer in favour of the holders of ordinary shares which is made not strictly in accordance with section 561 of the Companies Act 2006 or otherwise up to a maximum aggregate nominal value of €200,602.53 (representing approximately 10% of the Company's issued ordinary share capital at the date prior to the printing of this document). This authority replaces the resolution passed at last year's Annual General Meeting and will expire at the conclusion of next year's Annual General Meeting or 15 months after the passing of the resolution (whichever is the earlier). The resolution will enable the Directors, at their discretion, to allot a limited number of equity securities for cash and also provide the Directors with greater flexibility to take advantage of business opportunities as they arise.

Resolution no. 10 - Authority to purchase own ordinary shares

It is proposed by a special resolution (no. 10) that the Company be authorised to purchase up to 20,060,252 of its own ordinary shares in the market, representing approximately 10% of the current issued ordinary share capital of the Company, at a price at not less than the nominal value of the ordinary shares and not more than the highest of (i) 5% above the average of the middle market quotations of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the 5 business days before the purchase is made and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out. The authority would be given for the period ending on the

date of next year's Annual General Meeting or 15 months after the passing of the resolution (whichever is the earlier) and it is anticipated that a resolution for the renewal of such authority will be proposed at each future Annual General Meeting.

Whilst the Directors have no present intention of making such purchases, it is considered prudent to have this authority so as to be able to act at short notice if circumstances change. The authority would however only be exercised if the Directors believe that to do so would result in an increase in earnings per share and would be in the best interests of shareholders generally.

Options over an aggregate of 11,602,543 ordinary shares in the Company under the Company's existing Share Option Scheme were outstanding as at the date of this document representing 5.78% of the Company's issued share capital at that date and which would represent 6.43% of the Company's issued share capital if the proposed authority being sought at the 2010 Annual General Meeting to buy back 20,060,252 ordinary shares was exercised in full.

Warrants over a further aggregate number of 3,120,000 ordinary shares in the Company were outstanding as at the date of this document, representing 1.56% of the Company's issued share capital at that date and which would represent 1.73% of the Company's issued share capital if the proposed authority being sought at the 2010 Annual General Meeting to buy back 20,060,252 ordinary shares was exercised in full.

The resolution will also permit the Company to purchase its own shares to hold as 'treasury shares'. As at the date of this document the Company did not hold any of its ordinary shares as treasury shares.

The Directors would consider holding as treasury shares any shares which the Company purchases pursuant to the authority proposed to be granted by resolution no. 10.

Resolution no. 11 - Amendments to Articles of Association

Resolution no. 11 will also be proposed as a special resolution to make amendments to the Company's articles of association to reflect changes in company law as a result of the recent full enactment of the Companies Act 2006 and the Companies (Shareholders' Rights) Regulations 2009 (the "**Shareholders' Rights Regulations**"). A summary of the main proposed amendments and changes to the Company's existing articles of association is set out in Appendix I of this document and a copy of the articles of association showing the proposed amendments will be available for inspection at the offices of the Company's solicitors, Slaughter and May, One Bunhill Row, London EC1Y 8YY during normal business hours on any weekday from the date of this document until the close of the Annual General Meeting, and at the place of the Annual General Meeting for a least 15 minutes prior to and during the Meeting.

Resolution no. 12 - Notice of general meetings

Resolution 12 will also be proposed as a special resolution. Changes made to the Companies Act 2006 by the Shareholders' Rights Regulations increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. (Annual General Meetings will continue to be held on at least 21 clear days' notice.)

Before the coming into force of the Shareholders' Rights Regulations on 3 August 2009, the Company was able to call general meetings other than an AGM on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, Resolution 12 seeks such approval. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed.

The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

Action to be taken in respect of Annual General Meeting

Shareholders will find enclosed with this document a form of proxy for use at the Annual General Meeting. Whether or not you intend to be present at the Meeting, you are requested to complete, sign, date and return the form of proxy so as to reach the Company's Registrars, SLC Registrars, by post at Thames House, Portsmouth Road, Esher, Surrey KT10 9AD or by sending a completed, signed and dated scanned version of the proxy form by email to accsysproxy@davidvenus.com as soon as possible and in any event not later than 48 hours before the time appointed for the Annual General Meeting (excluding days which are not working days), being 9.00 a.m. (UK time) on Friday, 23 July 2010.


Completion and return of a form of proxy will not however prevent you from attending at the Annual General

Meeting and voting in person if you should wish to do so.

RECOMMENDATION

Your Directors are unanimously in favour of resolutions nos. 1 – 12 (inclusive) to be proposed at this year's Annual General Meeting, which they consider to be in the best interests of the shareholders of the Company as a whole. Accordingly, your Directors unanimously recommend shareholders to vote in favour of those resolutions at the Annual General Meeting, as they intend to do in respect of their own beneficial holdings of ordinary shares.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'W.P.B.', with a small flourish at the end.

Willy Paterson-Brown
Chairman

ACCSYS TECHNOLOGIES PLC

(registered in England and Wales with registered no: 5534340)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the fifth **ANNUAL GENERAL MEETING** of the Company will be held at the Company's offices at Kensington Centre, 66 Hammersmith Road, London W14 8UD on Tuesday, 27 July 2010 at 9.00 a.m. (UK time) at which the following resolutions will be proposed, in the case of resolutions nos. 1 - 7 (inclusive) and resolution no. 8 as ordinary resolutions and, in the case of resolutions nos. 9 - 12 (inclusive), as special resolutions:-

ORDINARY RESOLUTIONS

As Ordinary Business:-

1. **THAT** the audited financial statements of the Company for the financial year ended 31 March 2010 together with the reports of the Directors and auditors thereon be received and adopted.
2. **THAT** the Directors' Remuneration Report for the financial years ended 31 March 2008, 31 March 2009 and 31 March 2010 be approved.
3. **THAT** Lord Sanderson of Bowden be re-elected as a Director.
4. **THAT** Kevin Wood be re-elected as a Director.
5. **THAT** Hans Pauli be re-elected as a Director.
6. **THAT** BDO Stoy Hayward LLP be re-appointed as independent auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company before which accounts of the Company are laid.
7. **THAT** the Directors be authorised to determine the remuneration of the independent auditors.

As Special Business:-

8. **THAT** the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "**Act**") to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
 - (A) up to a nominal amount of €668,675 (such amount to be reduced by the nominal amount allotted or granted under paragraph (B) below in excess of such sum); and
 - (B) comprising equity securities (as defined in section 560(1) of the Act) up to a nominal amount of €1,076,625.36 (such amount to be reduced by any allotments or grants made under paragraph (A) above) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

provided that this authority shall expire on the date of the Annual General Meeting of the Company to be held in 2011 or, if earlier, the date being 15 months after the passing of this resolution (unless and to the extent that such authority is renewed or extended prior to such date) but so that the Company may before the expiry of such period make an offer or agreement which would or might

require equity securities to be allotted or rights to subscribe for or convert securities into shares to be granted after the expiry of such period and the Directors may allot equity securities or grant rights to subscribe for or convert securities into shares pursuant to such an offer or agreement as if the authority conferred hereby had not expired. This authority shall be in substitution for any existing or previous authorities granted in this regard by the Company.

SPECIAL RESOLUTIONS

9. **THAT** the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) of the Company for cash pursuant to the general authority conferred on the Directors pursuant to resolution no. 8 of the notice of Annual General Meeting of which this resolution forms part and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561(1) of that Act did not apply to such allotment and/or sale, provided that this power shall be limited to the allotment of equity securities and/or sale of treasury shares:-

- (a) in connection with or pursuant to a rights issue, open offer or any other pre-emptive offer in favour of the holders of ordinary shares and other persons entitled to participate therein in proportion (as nearly as may be) to their respective holdings of ordinary shares (or, as appropriate, the number of ordinary shares which such other persons are for those purposes deemed to hold), subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with record dates, fractional entitlements or legal, regulatory or practical problems under the laws of any territory or the regulations or requirements of any regulatory body or any stock exchange in any territory; - and
- (b) (other than pursuant to sub-paragraph 9(a) above) up to an aggregate nominal amount of €200,602.53;

and such power shall expire on the date of the Annual General Meeting of the Company to be held in 2010 or, if earlier, the date being 15 months after the passing of this resolution, but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted and/or treasury shares to be sold after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if the power conferred hereby had not expired. This power shall be in substitution for any previous powers granted in this regard by the Company.

10. **THAT** the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Act to make one or more market purchases (as defined by section 693(4) of the Act) of ordinary shares of €0.01 each in the capital of the Company ("**ordinary shares**") provided that:-

- (a) the maximum aggregate number of ordinary shares authorised to be purchased is 20,060,252 ordinary shares;
- (b) the minimum price which shall be paid for the ordinary shares is €0.01 for each share, and the maximum price (exclusive of expenses) which may be paid for such shares is the highest of (i) an amount equal to 5 per cent above the average of the middle market quotations derived from the London Stock Exchange Daily Official List for the 5 business days before the purchase is made and (ii) the higher of the price paid of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out;
- (c) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2011 or 15 months after the date of passing of this resolution (whichever is the earlier); and

the Company may, before such expiry, make a contract to purchase its own shares under the authority hereby conferred which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of such a contract as if the power had not ended.

11. **THAT:**

- (a) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Act, are to be treated as provisions of the Company's Articles of Association; and
- (b) the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

12. **THAT** a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Registered Office:

Kensington Centre
66 Hammersmith Road
London
W14 8UD

By Order of the Board:

Adrian Wyn-Griffiths
Company Secretary

Registered in England and Wales No. 5534340

2 July 2010

Notes:-

1. Any member of the Company entitled to attend and vote at this Annual General Meeting may appoint one or more proxies to exercise all or any of his or her rights to attend, speak and vote at the meeting. Where more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company.
2. For the convenience of members who may be unable to attend the Annual General Meeting, a form of proxy is enclosed which to be valid should be completed, signed, dated and returned, along with any power of attorney or other authority under which it is signed, to the Company's Registrars, SLC Registrars, by post at Thames House, Portsmouth Road, Esher, Surrey KT10 9AD or by sending a completed, signed and dated scanned version of the proxy form by email to accsysproxy@davidvenus.com not less than 48 hours (excluding days which are not working days) before the time fixed for the Meeting, being 9.00 a.m. (UK time) on Friday, 23 July 2010. The fact that members may have completed forms of proxy will not prevent them from attending and voting at the Annual General Meeting in person should they afterwards decide to do so.
3. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
4. The statement of the rights of shareholders in relation to the appointment of proxies in notes 1 and 2 does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
5. Pursuant to Regulation 41 of the Uncertified Securities Regulations 2001, only those members who have been entered on the Company's register of members by 9.00am (UK time) on 23 July 2010, being 48 hours prior to the time fixed for the meeting (excluding days which are not working days) or, if the meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting excluding days which are not working days, shall be entitled to attend and vote at the Annual General Meeting and only in respect of the number of ordinary shares in the Company registered in their name at that time. Changes to entries on the Company's register of members after that time will be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.
6. As at the close of business on the date of this document, the Company's issued ordinary share capital comprised 200,602,528 ordinary shares of €0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at the date of this document is 200,602,528.
7. Persons holding their ordinary shares of €0.01 each in the Company through Euroclear Nederland B.V. ("**Euroclear**") via banks and brokers are not included in the Company's register of members - such ordinary shares are included in the register of members under the name of Euroclear. If anyone who holds their ordinary shares through Euroclear wishes to (i) attend the Annual General Meeting or (ii) to appoint one or more proxies to attend, speak and vote on their behalf or (iii) give voting instructions without attending the Meeting, they must instruct Euroclear accordingly. To do this, they are advised to contact their bank or broker as soon as possible and advise them which of the three options they prefer. In all cases, the validity of the instruction will be conditional upon ownership of the shares at 9.00am (UK time) on 23 July 2010.
8. Copies of the service contracts, consultancy deeds and engagement letters of all the Directors of the Company will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays and public holidays excepted) from the date of this document until the close of the Annual General Meeting, and at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.
9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
10. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
11. Any member attending the meeting has the right to ask questions. The company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
12. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at www.accsysplc.com.

13. *You may not use any electronic address provided in either this notice of Annual General Meeting or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.*

APPENDIX 1
EXPLANATORY NOTES OF PRINCIPAL CHANGES TO THE
COMPANY'S ARTICLES OF ASSOCIATION

1. The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum. The Companies Act 2006 provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Companies Act 2006 the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further, the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Companies Act 2006, are treated as forming part of the Company's articles of association as of 1 October 2009. Resolution 11 (a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the proposed new Articles of Association (the "**New Articles**") also contain an express statement regarding the limited liability of shareholders.

2. Articles which duplicate statutory provisions

Provisions in the current Articles of Association (the "**Current Articles**") which replicate provisions contained in the Companies Act 2006 are in the main to be removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution.

3. Change of name

Under the Companies Act 1985, a company could only change its name by special resolution. Under the Companies Act 2006 a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the directors to pass a resolution to change the Company's name.

4. Authorised share capital and unissued shares

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Companies Act 2006, save in respect of employee share schemes.

5. Redeemable shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption. The Companies Act 2006 enables directors to determine such matters instead provided they are so authorised by the articles. The New Articles remove the requirement of a special resolution for creation or issue and contain an authorisation for the Board to issue such shares on such terms and conditions as it determines. The Company has no plans to issue redeemable shares but if it did so the directors would need shareholders' authority to issue new shares in the usual way.

6. Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

Under the Companies Act 1985, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other un-distributable reserves as well as shareholder authority to undertake the relevant action. The Current Articles include these enabling provisions. Under the Companies Act 2006 a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the New Articles.

7. Provision for employees on cessation of business

The Companies Act 2006 provides that the powers of the directors of a company to make provision for a person employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary, may only be exercised by the directors if they are so authorised by the company's articles or by the company in general meeting. The New Articles provide that the directors may exercise this power.

8. Use of seals

Under the Companies Act 1985, a company required authority in its articles to have an official seal for use abroad. Under the Companies Act 2006, such authority will no longer be required. Accordingly, the relevant authorisation has been removed in the New Articles.

The New Articles provide an alternative option for execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or two directors or such other person or persons as the directors may approve.

9. Suspension of registration of share transfers

The Current Articles permit the directors to suspend the registration of transfers. Under the Companies Act 2006 share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

10. Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the Companies Act 2006 so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles remove provisions in the Current Articles dealing with proxy voting on the basis that these are dealt with in the Companies Act 2006 and contain a provision clarifying how the provision of the Companies Act 2006 giving a proxy a second vote on a show of hands should apply to discretionary authorities.

11. Voting by corporate representatives

The Shareholders' Rights Regulations have amended the Companies Act 2006 in order to enable multiple representatives appointed by the same corporate member to vote in different ways on a show of hands and a poll. The New Articles remove provisions in the Current Articles dealing with voting by corporate representatives on the basis that there are dealt with in the Companies Act 2006.

12. Chairman's casting vote

The New Articles remove the provision giving the chairman a casting vote in the event of an equality of votes as this is no longer permitted under the Companies Act 2006.

13. Notice of general meetings

The Shareholders' Rights Regulations amend the Companies Act 2006 to require the company to give 21 clear days' notice of general meetings unless the company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual general meetings must be held on 21 clear days' notice. The New Articles remove provisions in the Current Articles dealing with notice of general meetings on the basis that this is dealt with in the Companies Act 2006.

14. Adjournments for lack of quorum

Under the Companies Act 2006 as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The Current Articles have been changed to reflect this requirement.

15. Distinction between Ordinary and Special Business

The Current Articles require that all business transacted at General Meetings (and certain business transacted at Annual General Meetings) be deemed "special business" as distinct from other "ordinary business" dealt with at

the Annual General Meeting (such as the re-election of directors). There is no requirement under the Companies Act 2006 to make such a distinction and the provision has therefore been deleted from the New Articles.

16. Untraced shareholders

The Current Articles provide that if a shareholder has failed to claim dividends on his shares or communicate with the Company for 12 years then the Company may sell the untraced shareholder's shares and the Company shall be accountable to the untraced member for the proceeds of such. The New Articles retain this provision and further provide that if the untraced shareholder does not claim the proceeds of sale of his shares within a further six years of such sale then the proceeds of sale are forfeited and belong to the Company absolutely.

17. Dividends

The Current Articles permit dividends or bonuses declared to be paid wholly or partly by the distribution of specific assets where the General Meeting directs. The New Articles retain this provision and provide additionally that the Board may also direct that any interim dividend be paid wholly or partly by the distribution of assets.

18. General

Generally, the opportunity has been taken to make further minor, technical and clarifying amendments, to bring clearer language into the New Articles.