

**LINARO LIMITED**  
**(the "Company")**

**MINUTES OF A MEETING OF THE  
DIRECTORS OF THE COMPANY  
AT 208 BARTON SPRINGS, AUSTIN, TEXAS. 78729. USA  
ON 18 JANUARY 2012 AT 8:00 AM**

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**PRESENT:** George Grey (Chairman)  
Ian Drew (ARM)  
Mark Ireland (IBM – Club Director)  
Ari Rauch (TI) (via teleconference)

**IN ATTENDANCE:** Stephen Doel  
Joe Bates

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1. **NOTICE AND QUORUM**

The Chairman reported that notice of the meeting had been given to all of the directors of the Company and that the meeting was quorate.

2. **PURPOSE OF THE MEETING AND DOCUMENTS**

2.1 It was noted that the purpose of the meeting was to:

2.1.1 note that Mike Muller had ceased to be a director and to confirm Ian Drew as his replacement;

2.1.2 review the Company's financial forecast against its budget and to review the initial 2012/2013 budget for the Company ("**2012/2013 Budget**");

2.1.3 consider and, if thought appropriate, approve a proposed 2012 Company employee bonus plan (the "**Bonus Plan**"); and

2.1.4 consider a proposal to create a new 'standard' grade of membership.

2.2 The following documents were produced to the meeting:

2.2.1 board minutes of the Company from the previous board meeting held on 25 October 2011; and

2.2.2 a presentation on, amongst other things, the Company's financial forecast, the Budget, the Bonus Plan and the standard grade of membership (the "**Presentation**").

### 3. **DIRECTORS' DUTIES AND DECLARATIONS OF INTEREST**

3.1 The directors were reminded that they needed to comply with their duties to the Company, including the duties set out in sections 171 to 177 Companies Act 2006. These included a duty to declare interests in proposed transactions and arrangements with the Company and a separate and independent statutory obligation to declare interests in existing transactions and arrangements with the Company.

3.2 Each director was reminded that he also needed to comply with his duty to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, unless authorised either by directors independent of the conflict, as permitted by the Companies Act 2006 and the Articles or in one of the other ways permitted by the legislation.

### 4. **APPROVAL OF PREVIOUS BOARD MINUTES**

Board minutes from the previous board meeting held on 25 October 2011 were produced to the meeting and approved.

### 5. **CHANGE OF CORE DIRECTOR**

5.1 **IT WAS NOTED** that ARM Limited ("**ARM**"), being a Core Member of the Company, had delivered to the Company a notice pursuant to Article 21.4 of the Company's Articles of Association removing Mike Muller as the Core Director appointed by it and appointing Ian Drew in his place as a Core Director. **IT WAS NOTED** that this removal and appointment had become effective on 12 January 2012 (being the date upon which the notice was received at the Company's registered office). **IT WAS RESOLVED** that this appointment be confirmed and that the Secretary be instructed to file the appropriate documents with respect to such removal and appointment at Companies House.

5.2 There was produced to the meeting a conflict questionnaire which had been completed by Ian Drew (the "**Conflict Questionnaire**"). The Conflict Questionnaire was considered.

5.3 It was noted that, pursuant to Article 28 of the Company's articles of association (the "**Articles**"), the directors had the authority to authorise conflicts of interest. The directors were reminded that in considering whether to authorise the relevant matters (and the terms on which any such authorisation should be given) they would need to comply with their general duties to the Company. These included a duty to act in the way each director considered, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole having regard (amongst other matters) to:

5.3.1 the likely consequences of any decision in the long term;

5.3.2 the interests of the Company's employees;

5.3.3 the need to foster the Company's business relationships with suppliers, customers and others;

5.3.4 the impact of the Company's operations on the community and the environment;

5.3.5 the desirability of the Company maintaining a reputation for high standards of business conduct; and

5.3.6 the need to act fairly as between the members of the Company.

The matters set out in the Conflicts Questionnaire were then considered and **IT WAS RESOLVED** that any situational conflict which arises in relation to Ian Drew as a result of any of his directorships in those companies listed in the Conflict Questionnaire be authorised and that he be entitled to vote and be counted in the quorum in accordance with the Company's Articles of Association.

## 6. **BUDGET FOR 2012/2013**

The part of the Presentation relating to the review of the Company's financial forecast against its budget and the review of the initial 2012/2013 Budget was made to the meeting. The Board noted the reductions in forecast revenue and agreed to approve the amended expenditure plan for 2011/12. It was agreed that Stephen Doel would present the 2012/13 financial year budget for approval at the next Board meeting.

## 7. **BONUS PLAN**

7.1 The part of the Presentation relating to the Bonus Plan was made to the meeting and its contents were noted.

7.2 It was noted that the Bonus Plan was not in relation, inter alia, to one or more of the Chief Executive Officer, Chief Technical Officer and VP Engineering of the Company, and therefore a Super Majority Board Resolution was not required to approve the Bonus Plan

7.3 After due and careful consideration, the Board requested further proposals for review.

8. **BUSINESS UPDATE**

George Grey presented the Presentation to the meeting. The Board reviewed the status of discussions with prospective new Members and the discussions with respect to renewals by existing Club Members in detail. The following items were noted:

- 8.1 The Board noted the term for founding Club Member subscriptions completes in 2012. Proposals to provide incentives for a two year renewal by Club Members were accepted.
- 8.2 It was noted that establishing and disbanding Working Groups required Board approval.
- 8.3 There was a discussion on additional membership options. The Board provided input to the Management Team, and the team agreed to provide further proposals at the next Board Meeting
- 8.4 It was agreed that the restriction on number of consecutive 12 month appointments for the Club Director be removed. An amendment to the Membership Rules will be proposed at the next Board Meeting

9. **RETURNS**

**IT WAS RESOLVED** that any director or the Company secretary be authorised and instructed to complete and sign (or to arrange for the completion and signature of) all appropriate forms and other documents in respect of the matters referred to above and to arrange for delivery of such forms and documents to the Registrar of Companies and to such other persons as may be required.

10. **2012 BOARD MEETINGS**

The Chairman informed the meeting of the following proposed dates and locations for the 2012 Board meetings:

17 April 2012 – Teleconference

18 September – Cambridge, UK

11 December - Teleconference

11. **CLOSE OF MEETING**

There being no further business, the meeting closed.



George Grey, Chairman