

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

CASPA MARKETING LIMITED

Company Number 03358988

(the "Company")

DATED 5th JANUARY

2010
2009

WEDNESDAY



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Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that resolutions 1, 2 and 3 below are passed as an ordinary resolution and resolutions 4 and 5 below are passed as special resolutions (the "Resolutions").

ORDINARY RESOLUTIONS

1. **THAT** the 49 Ordinary Shares of £1.00 each in issue in the capital of the Company and the 2 "B" Ordinary Shares of £1.00 each in issue in the capital of the Company and held by Cornfields Holdings Limited be re-classified as 51 "A" Ordinary Shares of £1.00 each having the rights and restrictions set out in the articles of association of the Company to be adopted pursuant to resolution 5 below.
2. **THAT** 951 Ordinary Shares of £1.00 each authorised but unissued in the capital of the Company be reclassified into 951 "A" Ordinary Shares of £1.00 each and 898 "B" Ordinary Shares of £1.00 each authorised but unissued in the capital of the Company be reclassified into 898 "A" Ordinary Shares of £1.00 each having the rights and restrictions set out in the articles of association of the Company to be adopted pursuant to resolution 5 below leaving, for the avoidance of doubt, 100 "B" Ordinary Shares of £1.00 each in the authorised share capital of the Company each having the rights and restrictions set out in the articles of association of the Company to be adopted pursuant to resolution 5 below.
3. **THAT** the directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to allot and issue up to 39 "A" Ordinary Shares of £1.00 each and 10 "B" Ordinary Shares of £1.00 each within one year of the date of this resolution (on the expiration of which this authority shall expire) and the directors shall have the power to exercise the authority hereby conferred upon them to allot such shares to such persons and on such persons and on such conditions as they may in their discretion determine.

SPECIAL RESOLUTIONS

4. **THAT** the directors of the Company be and are hereby empowered pursuant to section 570 of the Companies Act 2006 to allot 39 "A" Ordinary Shares of £1.00 each and 10 "B" Ordinary Shares of £1.00 each pursuant to the authority conferred upon the directors in accordance with section 551 of the Companies Act 2006 above as if section 561(1) of the Companies Act 2006 did not apply to such allotment.

5. **THAT** the articles of association attached to these resolutions and initialled by a director of the Company by way 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.

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being the sole member entitled to vote on the Resolutions on ~~05/01/2009~~ ²⁰¹⁰, hereby irrevocably agrees to the Resolutions:

Signed by an authorised signatory of
CORNFIELDS HOLDINGS LIMITED



Date

5th JANUARY 2010

NOTES

1. You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

- **By Hand:** delivering the signed copy to The Secretary, Caspa Marketing Limited, Adelphi Mill, Grimshaw Lane, Bollington, Macclesfield, Cheshire SK10 5J.
- **Post:** returning the signed copy by post to The Secretary, Caspa Marketing Limited, Adelphi Mill, Grimshaw Lane, Bollington, Macclesfield, Cheshire SK10 5J.

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.

3. Unless, by 5th JANUARY 2010 ~~2009~~, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.

4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.

5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

No. 03358988



PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

-of-

CASPA MARKETING LIMITED

(as adopted by special resolution dated 5th JANUARY 2010 ~~2009~~)

1. **Preliminary**

1.1. The model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (hereinafter called "the Model Articles") shall apply to this Company save in so far as they are modified or excluded by or are inconsistent with these Articles. A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.2. In these Articles:

"A' Shares" means the 'A' ordinary shares of £1.00 each in the capital of the Company;

"Accountants" means the accountants for the time being of the Company;

"Act" means the Companies Act 2006;

"B' Shares" means the 'B' ordinary shares of £1.00 each in the capital of the Company;

"Bad Leaver" refers to any person who is not a Good Leaver;

"Board" means the board of Directors of the Company;

"Business" means the business of the Company as described in clause 3.1 of the Shareholders' Agreement and such other business as the Shareholders' may agree should be carried on by the Company;

"Directors" means the directors for the time being of the Company or a quorum of such directors present at a duly convened meeting of the directors;

"Early Leaver" means a Member who ceases to be an employee of the Company and is either a Good Leaver or a Bad Leaver;

"Family Member" means in relation to a Member any one or more of that persons parents, spouse or children (including step children);

"Family Trust" means in relation to a Member a trust or settlements set up wholly for the benefits of that person and/or that persons Family Member;

"Good Leaver" refers to a person who:-

(a) ceases to be a Director or employee of the Company provided such cessation:-

(i) is not related to a material or persistent breach of these Articles or the Shareholders' Agreement or the Director's or employee's employment contract;

(ii) is not pursuant to gross misconduct on the part of the Director or employee;

(iii) is not related to the bankruptcy of such Director or employee;

(iv) is not pursuant to the Director becoming disqualified to act as a director under the Companies Directors Disqualification Act 1986; and

(v) occurs more than three years following the anniversary of the Shareholders' Agreement;

(b) dies; or

(c) suffers a Serious Illness,

provided always that the Board can unanimously deem a person to be a Good Leaver;

"Independent Accountant" means either the Accountant or a chartered accountant agreed upon by or on behalf of the Proposing Transferor and the other Members or, in the event of their failure to agree such chartered accountant within 20 business days, a chartered accountant nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of either party;

"Members" means the holders for the time being of Shares and "Member" shall mean any one of them;

"Option" means an option exercisable pursuant to Article 12;

"Option Notice" means a notice to exercise an option pursuant to Article 12;

"Permitted Transfer" means a transfer of shares pursuant to Article 7;

"Permitted Transferee" means a person or body to whom shares are transferred to pursuant to a Permitted Transfer;

"Serious Illness" means an illness or disability which results in the absence of a Shareholder from the Business for a period of at least 12 months or an illness or disability certified by a general medical practitioner (as agreed between the Board and departing employee or director) rendering the departing employee or director permanently incapable of carrying out his role as an employee or Director for the foreseeable future;

"Shareholders' Agreement" means the shareholders' agreement entered into on the date of adoption of these Articles and made between (1) Cornfields Holdings Limited (2) Jacqueline Higginbotham (3) Gillian Yates and (4) the Company;

"Shares" means the 'A' Shares and the 'B' Shares;

"Third Party Purchaser" means an individual or body corporate not being a Member or an "associate" (within the meaning of section 435 Insolvency Act 1985) of a Member; and

"Transfer Notice" means a notice in accordance with Article 8 that a member desires to transfer his Shares.

2. Objects

2.1 The name of the Company is "CASPA MARKETING LIMITED".

2.2 The Company's Registered Office is to be situated in England and Wales.

2.3 The Company's objects are:

a) To carry on business as a general commercial company.

b) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render more profitable any of the property or rights of the company.

- c) To apply for, purchase or register or otherwise acquire and protect and renew, whether in the United Kingdom or elsewhere in any part of the world any patents, patent rights, brevets, d'invention, designs, concessions, secret posses, trade marks, licenses, and the like and later, disclaim, modify, use and turn to account and to manufacture under or grant licenses or privileges in respect of the same, and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
- d) To purchase, take on lease or in exchange, hire or by any other means acquire and take options over any freehold, leasehold or any other real or personal property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business, or may enhance the value of any other property of the Company
- e) To acquire and undertake the whole or any part of the business, goodwill, assets, property, and liabilities of any person or company carrying on or proposing to carry on any business which the company is authorised to carry on or possessed of property suitable for the purposes of the Company or which is capable of being conducted so as directly or indirectly to benefit the Company.
- f) To acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, co-operation, joint adventure, union or interest or reciprocal concession with any person or company carrying on or engaged in, any business or transaction which is capable if being conducted so as directly or indirectly to benefit the Company.
- g) To enter into any arrangements with any governments or authorities supreme, local, municipal or otherwise, or any company or person that may seem conducive to the attainment of the Company's objects, or any of them, and to obtain from any such government or authority any rights, charters, licenses, privileges or concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply therewith.
- h) To draw, make, accept, endorse, negotiate, discount, execute, negotiate and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable instruments.
- i) To invest and deal with the moneys of the Company not immediately required in any manner, and to hold sell or otherwise deal with any investments made.

- j) To subscribe for, take, or otherwise acquire, and hold shares, stock, debentures, debenture stock or other securities of any other company.
- k) To establish or promote any other company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company, or for any other purpose which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures, or other securities of any such company.
- l) To advance and lend money or give credit, with or without security to customer and others, to enter into guarantees, contracts, or indemnity and suretyships of all kinds to receive money on deposit or loans and to become security for any persons, firms or companies.
- m) To raise or borrow money in such a manner as the Company shall think fit, and to secure the repayment of any such money raised, borrowed or owing by mortgage, lien, charge or other security, upon all or any of the property or assets of the Company (whether present or future) including its uncalled capital, and also by a similar mortgage, lien, charge or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- n) To pay out of the funds to the Company all or any expenses which the Company may lawfully pay with respect to the promotion, formation, and incorporation of the Company or to contract with any person, firm or company to pay the same and to pay commissions to broker and other for underwriting, placing, selling or guaranteeing the subscription of any shares, debentures or other securities of the Company.
- o) To remunerate any person, firm or company whether by cash payment or by the allotment of shares, debentures, or other securities for the Company credited as paid up in full or in part or otherwise.
- p) To subscribe to or support any charitable object or institution and to give pensions, bonuses, gratuities, or assistance to any person who is serving or has served the Company, whether as a director, employee or otherwise, and his family and dependants; to make payments towards insurance, and to establish form and contribute to provident, superannuation and other similar funds and trusts, associations, clubs, schools, and other institutions for the benefit of any

such persons aforesaid.

- q) To distribute among the members of the Company and property of the Company of any kind or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital of the Company be made except with the same sanction for the time being required by law.
- r) To procure the Company to be registered or recognised in any part of the world.
- s) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub contracts and also to act in any of the businesses of the Company in any part of the world through or by means of agents, subcontractors or others.
- t) To improve, develop, manage, grant rights or privileges in respect of, contract, repair, let on lease or otherwise, exchange, mortgage, charge, dispose of, sell, grant licenses in respect of, turn to account, grant options in respect of, or otherwise deal with all or any part of the property and rights of the Company both real and personal.
- u) To sell or otherwise dispose of the whole or any part of the business or property of the Company, wither together or in portions for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any company purchasing the same.
- v) To do all or any of the matters or things aforesaid in any part of the world and to do such matters or things either as principles, agents, contractors or otherwise and by or through agents, contractors, or otherwise and alone or in conjunction with others.
- w) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

And it is hereby declared that

- (i) The objects specified in each sub clause shall be regarded as independent objects, and they shall not be limited or restricted, except where otherwise expressed in such sub-clauses, by reference to or inference from the terms of any other sub-clause or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said sub-clauses defined in the objects of a separate and distinct company.

- (ii) The word "Company", except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporated, and whether incorporated, registered, resident, or domiciled in the United Kingdom or elsewhere.

2.4 The liability of the members is limited.

3. Shares

At the date of adoption of these Articles the share capital of the Company is £2,000 divided into 1,900 'A' Shares and 100 'B' shares. The rights attaching to the Shares are as follows:

3.1 Income

Any profits which the Company may determine to distribute shall be distributed amongst the holders of the 'A' Shares and the 'B' Shares except that the Company may determine to distribute such profits amongst the holders of the 'A' Shares and the 'B' Shares as if they constitute separate classes of shares and shall distribute such profits as within each class pro rata to the number of Shares held of that class.

3.2 Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be distributed among the Members as follows:-

3.2.1 first by paying to the holders of the 'A' Shares and the 'B' Shares, *pari passu*, the amount paid up on such Shares;

3.2.2 secondly by distributing amongst the holders of the 'A' Shares, *pari passu*, the aggregate sum of £697,000; and

3.2.3 lastly, by distributing the remainder of any such assets amongst the holders of the 'A' Shares and the 'B' Shares *pari passu* as though such Shares constituted one single class of Share.

3.3 Voting

The holders of 'A' Shares and the holders of 'B' shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and such holder (being an individual) is present in person or by proxy or (being a body

corporate) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll have one vote for each Share held by him.

3.4 Class Rights

3.4.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up with the consent in writing of the holders of more than three-fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of that class, but not otherwise. To every such separate meeting of holders of a class of shares all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons who together hold or represent by proxy at least one-third in nominal value of the issued shares of the class unless all the shares of any class are registered in the name of a single shareholder in which case the quorum shall be that person his proxy or his duly authorised representative (but so that if, at any adjourned meeting of such holders, the necessary quorum referred to above is not present those members who are present shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

3.4.2 Without prejudice to the restrictions contained in these Articles as to the modification of rights attached to any class of shares in the Company, the rights conferred upon the holders of the 'B' Shares shall be deemed to be varied by the Company undertaking any of the matters referred to in Article 3.4.3 and the prior consent or sanction of the holders of the 'B' Shares (obtained in accordance with the provisions of Article 3.4.3) shall be required for such matters.

3.4.3 The matters referred to in Article 3.4.2 are as follows:-

3.4.3.1 the creation allotment or issue of any shares or securities by the Company of the grant of any right to require the allotment or issue of any such shares or securities;

3.4.3.2 the amendment of any provision of the articles of association of the Company; or

3.4.3.3 save as required by law, the giving of notice of any resolution to wind up the Company or the filing of any petition for the appointment of an administrator or liquidator or the making of an invitation to any person to appoint an administrative receiver.

4. Lien

The Company shall 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 is the sole registered holder thereof or one of two or more joint holders) for all monies presently payable by him or his estate to the Company.

5. Issue of Shares

5.1 Unless otherwise determined by special resolution of the Company in general meeting, any unissued Shares from time to time shall, before they are issued, be offered to all the Members in proportion to the amounts (excluding any premium paid on subscription) paid up on the Shares held by them respectively (and such offer shall be at the same price and on the same terms to each such Member). Such offer shall be made by notice specifying the number of Shares offered, the proportionate entitlement of the relevant member, the price per Share and limiting a period (being not less than 30 days) within which the offer, if not accepted, will be deemed to be declined and after the expiration of such period the Directors shall offer the Shares so declined to the persons who have, within the said period, accepted all the Shares offered to them in the same manner as the original offer and limited by a period of not less than 14 days. If any Shares comprised in such further offer are declined or deemed to be declined such further offer shall be withdrawn in respect of such Shares. At the expiration of the time limited by the notice(s) the Directors shall allot the Shares so offered to or amongst the Members who have notified their willingness to take all or any of such Shares in accordance with the terms of the offer. No Member shall be obliged to take more than the maximum number of Shares he has indicated his willingness to take.

5.2 Any Share not accepted pursuant to Article 5.1 above or not capable of being so offered except by way of fractions and any Shares released from provisions of this Article by special resolution as therein specified shall constitute relevant securities which the Directors may, subject to the provisions of section 551 of the Act, allot,

grant options over or otherwise dispose of to such persons at such times and generally on such terms and conditions as the Directors think proper, provided that no Shares shall be issued at a discount and provided further that, in the case of Shares not accepted as aforesaid, such Shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the Members.

5.3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.

6. Transfer of shares

6.1 Subject to Articles 7 (Permitted Transfers) and 8 (Pre-emption), Shares may be transferred by transfer in writing in usual common form or in any other form approved by the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and, when the share is not fully paid, shall also be signed by the transferee.

6.2 The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of Shares not fully paid or over which the Company has a lien. The Directors may also refuse to register a transfer of Shares, whether fully paid or not, in favour of more than four persons jointly.

6.3 The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is duly stamped and is in respect of only one class of Share and is accompanied by the relevant share certificate and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). All instruments of transfer which are registered may be retained by the Company.

7. Permitted Transfers

7.1 Subject to Article 7.2 and 7.3 but notwithstanding the provisions of Article 8:

7.1.1 any holder of Shares may at any time transfer any share to a Family Member or to the trustees of a Family Trust;

7.1.2 any holder of Shares who is a trustee of a Family Trust may at any time transfer any share to:

a) the new or remaining trustees of the Family Trust upon any change of trustees; and

b) any Family Member on their becoming entitled to the same under the terms of the Family Trust.

7.2 If any person has acquired Shares as a Family Member by way of one or more Permitted Transfers and that person ceases to be a Family Member of that Member, that person shall forthwith transfer all the Shares held by that person back to the Member, for such consideration as they agree, within 28 days of cessation or, in default of agreement, at fair market value (as determined in accordance with Article 8.3.3).

7.3 If any Shares transferred to trustees of a Family Trust come to be held other than on Family Trust, such Shares shall forthwith be transferred to the original Member, for such consideration as they may agree or, in default of agreement, at fair market value (as determined in accordance with Article 8.3.3).

7.4 A transfer of any Share pursuant to this Article 7 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant Family Trust, where applicable).

8. Pre-emption on Transfer

8.1 Subject to the provisions of Article 7 (Permitted Transfers), the right to transfer Shares or any interest in Shares shall be subject to the following restrictions and provisions.

References in this Article 8 to Shares or Sale Shares shall include any interest in and grant of contractual rights or options over or in respect of such Shares.

8.2 Any Member (the "Proposing Transferor") proposing to transfer any Shares (the "Sale Shares"), shall be required before effecting, or purporting to effect the transfer, to give a notice in writing to the Company (a "Transfer Notice") that he desires to transfer the Sale Shares and specifying the price at which he is prepared to sell the Sale Shares in accordance with the following provisions of this Article 8 (the "Proposed Price"). The Transfer Notice shall constitute the Company his agent for the sale of the Sale Shares (together with all rights then attached thereto) during the Prescribed Period (as defined in Article 7.5) to any Members on the basis set out in the following provisions of this Article 7 and shall not be revocable except with the consent of all of the Directors.

8.3 The Sale Shares shall be offered for purchase in accordance with this Article 8 at a price per Sale Share (the "Sale Price") which expression means for the purpose of this Article

8.3.1 the price for the Sale Shares (if any) specified in the Transfer Notice as being the price offered by the third party from which the Proposing Transferor has received the bona fide offer; or

8.3.2 if no price is specified in the Transfer Notice the fair value of the Sale Shares, as the Proposing Transferor and the other Members shall agree within 21 days after the date of service of the Transfer Notice; or

8.3.3 if the Proposing Transferor and the other Members fail to agree such a price, such prices as the Independent Accountant (acting as an expert and not as an arbitrator) shall state in writing within 21 days starting on the day of referral to it the value of the Sale Shares based on fair market value. The determination of the Independent Accountant shall be final and binding on all concerned. The cost of obtaining the certificate of the Independent Accountant shall be borne by the Proposing Transferor.

8.4 If the Transfer Notice is not withdrawn in accordance with these Articles, the Company shall offer the Sale Shares for purchase at the Sale Price by a written offer notice (the "Offer Notice") given within the later of 21 business days after the Sale Price is agreed or determined under Article 8.3 to the then holders of the Shares (other than the Proposing Transferor) who, on the date of that notice, were the registered holders of Shares on terms that, in case of competition, the Sale Shares shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any Member beyond that applied for by him) to their existing holdings of Shares (and the shareholding of the Proposing Transferor shall be ignored for the purpose of calculating this proportion).

8.5 The period during which a relevant Member may accept the offer contained in the Offer Notice shall commence on the date of the Offer Notice and terminate 14 days thereafter (the "Prescribed Period").

8.6 Any Shares not accepted by any of the Members pursuant to the foregoing provisions by the end of the last day of the Prescribed Period may be offered by the Proposing Transferor to such person(s) as he may think fit at the Sale Price (provided always that the identity of such person(s) shall have been approved in writing by the holders of 50% of the issued Shares (excluding those held by the Proposing Transferor) prior to such

offer being made) for a period of three months commencing on the day after the day on which the Prescribed Period terminates (the "Extended Period").

8.7 After the expiry of the Prescribed Period and the Extended Period (if appropriate) the Directors shall allocate the Sale Shares in accordance with the acceptances received. The Directors shall within 7 days of the expiry of the Prescribed Period or the Extended Period (if appropriate) give notice in writing (the "Sale Notice") to the Proposing Transferor and to each accepting Member (or approved third party if Article 8.6 applies) (each a "Purchaser") specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the aggregate price payable for them.

8.8 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than 3 days nor more than ten days after the date of the Sale Notice) when the Proposing Transferor, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, shall transfer those Sale Shares and deliver the relevant share certificates to that Purchaser.

8.9 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser(s) hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser(s) to be registered as the holder(s) of such shares. The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money to the Proposing Transferor until he shall have delivered his share certificate(s) or a suitable indemnity and the necessary transfers to the Company.

9. Bring Along Right

9.1 If the holders of not less than 50% of the Shares (the "Selling Members") shall receive an offer from a Third Party Purchaser which they intend to accept to acquire all the Shares held by the Selling Members, the Selling Members shall have the option (the "Bring Along Option") to require all the other Members (the "Remaining Members") to transfer all their Shares (the "Remaining Shares") to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this Article 9 and, for the avoidance of doubt, the provisions of Article 8 shall not apply to such proposed sale or transfer.

9.2 The Selling Members shall exercise the Bring Along Option by giving notice to that effect (a "Bring Along Notice") to the Remaining Members at any time before the transfer of the Selling Members' Shares to the Third Party Purchaser. A Bring Along Notice shall specify that the Remaining Members are required to transfer all their Remaining Shares pursuant to this Article 9 to the Third Party Purchaser, the price at which the Remaining Shares are to be transferred (being not less than the price per Share payable by the Third Party Purchaser in respect of the Shares held by the Selling Members) and the proposed date of transfer. A Bring Along Notice shall be irrevocable unless the third party purchaser refuses to acquire the Remaining Shares on the terms of this Article 9.

9.3 The Remaining Members shall be obliged to sell the Remaining Shares at the price specified in the Bring Along Notice and completion of this sale and purchase shall take place on receipt of the consideration payable for the relevant Shares and on the same date as the date proposed for completion of the sale of the Selling Members' Shares, unless:

9.3.1 all the Remaining Members and the Selling Members agree otherwise; or

9.3.2 the date is less than 14 days after the Bring Along Notice, in which case completion shall take place on the 14th day after the Bring Along Notice.

9.4 Each of the Remaining Members shall, on service of the Bring Along Notice, be deemed to have appointed each of the Selling Members severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Remaining Shares to the Third Party Purchaser pursuant to this Article 9.

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 9.

10. **Tag Along Option**

10.1 No sale or transfer or other disposition of more than 50% of the Shares (the "Specified Shares") to a Third Party Purchaser shall have any effect unless before the transfer is lodged for registration the Third Party Purchaser acquiring the Specified Shares has made a bona fide offer (a "Tag Along Offer") in accordance with these Articles to purchase from the other Members such number of the Shares which are not Specified Shares (the "Uncommitted Shares") as represents the same proportion of the Uncommitted Shares as the number of Specified Shares represents to the total number of issued and allotted Shares other than the Uncommitted Shares (that proportion of the

Uncommitted Shares being referred to in this Article 10 as the "Tag Along Shares"). This Article is subject to the rights of the Selling Members in respect of the Bring Along Option as set out in Article 9.

- 10.2 A Tag Along Offer shall be in writing, shall specify the price at which the Tag Along Shares may be transferred (being the price payable by the Third Party Purchaser in respect of each of the Specified Shares), shall be open for acceptance for at least 21 days and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance. The consideration payable pursuant to a Tag Along Offer shall be settled in full on completion of the sale and purchase of the Tag Along Shares and within 30 days of the date of the offer.
- 10.3 Following the acceptance of a Tag Along Offer by a holder of any Tag Along Shares, that Member shall be obliged to sell the Tag Along Shares held by it to the third party purchaser at the price specified in the Tag Along Offer and completion of this sale and purchase shall take place on the same date as the date of completion of the sale of the Specified Shares.
- 10.4 Each holder of Tag Along Shares who accepts a Tag Along Offer shall be deemed to have appointed each holder of Specified Shares severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Tag Along Shares held by such Member to the Third Party Purchaser pursuant to this Article 10.

11. Compulsory Transfers

11.1 In the case of a holder of "B" Shares who:-

- 11.1.1 commits a material breach of the Shareholders' Agreement and that the breach, where capable of remedy, has not been remedied within 28 days of the breach being notified to that Member by the Directors; or
- 11.1.2 or repeats or continues (after written warning) any other breach of the Shareholders' Agreement; or
- 11.1.3 ceases to be an employee for whatever reason; or
- 11.1.4 ceases to act as director; or
- 11.1.5 becomes bankrupt

the Directors may serve notice on such Member requiring such Member to give a Transfer Notice in respect of all of the Shares held by him and the provisions of Articles 8.2 to 8.9 shall apply to the transfer of those Shares except that the Sale Price for the purposes of this Article 11 shall be par. For the purposes of Article 11.1.1 a breach will be deemed to be capable of remedy if the breach is capable of being remedied in all respects except as regards the date by which or the period within which the obligation is to be performed.

- 11.2 In the case of a holder of "B" Shares who is also an employee, consultant or director of the Company ceasing to hold such office at any time by reason of being an Early Leaver then, within 6 months after such cessation, the holders of the "A" Shares may serve notice on such Member requiring such Member to give a Transfer Notice (the "Compulsory Transfer Notice") in respect of all of the Shares held by him and the provisions of Articles 8.2 to 8.9 shall (subject to Articles 11.4 and 11.5) apply to the transfer of those Shares.
- 11.3 If the Compulsory Transfer Notice is served by the holders of the "A" Shares in accordance with Article 9.3 and the relevant Member is a Good leaver then the price per Share at which the Shares held by that Member will be offered for sale pursuant to these Articles will be fair market value as determined in accordance with Article 8.3.3 and the "Sale Price" will be construed accordingly in these Articles.
- 11.4 If the Compulsory Transfer Notice is served by the holders of the "A" Shares in accordance with Article 11.3 and the relevant Member is a Bad Leaver then the price per Share at which the Shares held by that Member will be offered for sale pursuant to these Articles will be par and the "Sale Price" will be construed accordingly in these Articles.
- 11.5 For the purpose of Article 11.3, the date upon which a Member ceases to hold office as an employee as described therein shall where the employer terminates or purports to terminate a contract of employment by giving notice to the employee of the termination of the employment, whether or not the same constitutes a wrongful or unfair dismissal, be the later of the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination) and the date (if any) for the termination expressly stated in such notice.

12. Options on the Death or Serious Illness of a Shareholder

- 12.1 In the event of the death or Serious Illness of any Shareholder the other Shareholders may by unanimous written notice to such Shareholder or his executors or the representatives of his estate, require such Shareholder to sell his Shares (the "Option Shares") to the other Shareholders in proportion to their existing holdings of Shares (as nearly as may be without involving fractions) or to the Company whereupon such other Shareholders or the Company (as the case may be) shall purchase the Option Shares at a fair market value as determined in accordance with Article 8.3.3 and the "Sale Price" will be construed accordingly in these Articles.
- 12.2 An Option must be exercised by notice in writing within 3 months of the death or Serious Illness of the relevant Shareholder and must be signed by or on behalf of the remaining Shareholder(s) or failing which it will lapse and cease to have any further effect. An Option Notice once given may not be withdrawn except with the written consent of the recipient(s).
- 12.3 On exercise of an Option then where appropriate the following provisions shall apply:-
- 12.3.1 completion of the sale and purchase of the Option Shares shall take place at the registered office of the Company (or such other place as may be agreed), 21 days after the date of determination of the Sale Price, or where such would be a day other than a working day, on the first working day thereafter; and
- 12.3.2 on completion the transferor or his executors or the representatives of his estate shall deliver a transfer(s) of the Option Shares to the transferee(s) together with all relevant share certificates and any other documents of title to the Shares and subject thereto the transferee(s) shall pay the Sale Price to the transferor or his executors by banker's draft.
- 12.4 If any of the provisions of the preceding Article 12.3 hereof are not complied with on the date fixed for completion the parties or parties not in default may without prejudice to their other rights and remedies:
- 12.4.1 defer completion to a date not more than 21 days after such date (and so that the provisions of this Article 12.4 shall apply to completion as so deferred); or
- 12.4.2 proceed to completion so far as practicable (without prejudice to their rights hereunder).
- 12.5 If the Company is to acquire Option Shares pursuant to Article 12.1, the procedure set

out in the Act must be complied with and the appropriate tax clearance must be obtained.

13. Information Concerning Shareholdings And Transfers

13.1 For the purpose of ensuring that no circumstances have arisen whereby a Transfer Notice is or may be required to be given hereunder, or to be satisfied that any proposed sale is bona fide and on the terms stated in the Transfer Notice with no rebate or allowances, the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in the transfer lodged for registration to furnish to the Company such information or evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such requirement being made, the Directors shall be entitled to refuse to register the transfer in question or (if no transfer is in question) to require by notice in writing that a Transfer Notice be given in accordance with Article 8 in respect of the Shares concerned.

13.2 In a case where the Directors have duly required a Transfer Notice to be given in respect of any Shares and such Transfer Notice is not duly given within a period of one month or such longer period as the Directors may allow for the purpose, such Transfer Notice shall be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the forgoing provisions of these Articles shall take effect accordingly.

13.3 From (and including) the date on which the Directors have duly required a Transfer Notice(s), all holders of Shares subject to such Transfer Notice(s) shall not transfer or encumber any of their Shares or any interest in their Shares (other than pursuant to such Transfer Notice(s)) until all proceedings pursuant to such Transfer Notice(s) have been finalised in accordance with these Articles.

14. Proceedings at General Meetings

14.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon.

14.2 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote. Article 44(2) of the Model Articles

shall be modified accordingly.

14.3 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that article:

"If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the meeting shall be dissolved".

15. **Directors**

15.1 Unless and until determined otherwise by general meeting of the Company the minimum number of directors shall be one and the maximum number of Directors shall be five. Whenever the number of Directors shall be one, the sole Director may exercise all the powers and authorities vested in the Directors by the Model Articles and by these Articles. Article 11 of the Model Articles shall be modified accordingly.

15.2 A meeting of the Directors or of a committee of the Directors may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously, and the word "meeting" in these Articles shall be construed accordingly. Any such meeting shall be deemed to take place at the location of the chairman or, if a chairman has not been appointed, the location where the majority of Directors are present.

15.3 A resolution in writing signed (or approved by telefax) by all the Directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity. Article 8 of the Model Articles shall not apply.

15.4 Subject to sections 177 and 182 of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

15.4.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

15.4.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;

15.4.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;

15.4.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

15.4.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

15.4.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

15.5 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

15.6 The quorum for all meetings of the Directors shall be two Directors present either in person or by a duly appointed alternate. Article 11(2) of the Model Articles shall not apply to the Company.

15.7 The chairman of the Board shall be entitled to a second and casting vote.

16. Alternate Directors

16.1 Any Director (other than an alternate Director) may at any time by writing under his hand and served on the Company at its registered office, or delivered at a meeting of the Directors, appoint any other Director, or any other person approved by the holders of 50% of the Shares (such approval not to be unreasonably withheld) and willing to act, to be an alternate Director and may remove from office an alternate Director so

appointed by him. The same person may be appointed as the alternate Director of more than one Director.

16.2 An alternate Director shall be entitled:-

16.2.1 to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, save that it shall not be necessary to give notice of such meeting to an alternate Director who is absent from the United Kingdom;

16.2.2 to attend, be counted in the quorum for and vote at any such meeting at which the Director appointing him is not personally present; and

16.2.3 generally at such meeting to perform all the functions of his appointor as a Director in his absence.

If an alternate Director is himself a Director or attends any such meeting as an alternate Director for more than one Director, then his voting rights shall be cumulative.

16.3 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but, if a Director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment.

16.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.

16.5 An alternate Director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him, except in relation to matters in which he acted (or failed to act) on the direction or at the request of his appointor.

16.6 Save as otherwise provided in these Articles, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles. However, such an alternate Director shall owe the Company the same fiduciary duties and duty of care and skill in the performance of his office as are owed by a Director.

16.7 An alternate Director shall be entitled to contract and be interested in and benefit from

contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as an alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

17. Indemnity

- 17.1 Without prejudice to any indemnity to which such officer may otherwise be entitled, every Director, auditor, secretary or other officer of the Company shall be indemnified by the Company against all costs, charges, losses, expenses, and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Article 52 of the Model Articles shall not apply.
- 17.2 The Company may purchase and maintain for any Director, secretary or other officer of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company. Article 53 of the Model Articles shall not apply.