

**LIVE OVERSEAS LIMITED ('Company')**

Company Number. 05671763

**Completion Board Minutes**

Minutes of a Meeting of the Board of Directors of the Company held at \_\_\_\_\_ on 14 November 2006 at \_\_\_\_\_ am/pm

**PRESENT** *Alix Pretlove* (Chairman)

**IN ATTENDANCE** *Robert Sandall*

**1. QUORUM AND DIRECTORS' INTERESTS**

- 1 1 It was noted that the meeting had been duly convened and that a quorum was present in accordance with the Company's articles of association
- 1 2 Each of the directors declared his/her interest in the matters to be discussed at the meeting in accordance with Section 317 of the Companies Act 1985 (the "Act") and pursuant to the Company's articles of association

**2 PURPOSE OF MEETING**

- 2 1 It was reported that following the board meeting dated 13 November 2006, the Company had acquired the assets of PLAN and therefore the condition set out in the Shareholders Agreement had been satisfied
- 2 2 The purpose of the meeting was therefore to deal with certain completion matters set out in the Shareholders Agreement

**3 WRITTEN RESOLUTIONS**

- 3 1 **There was produced** to the meeting a form of written resolution ('Written Resolutions') of the sole member of the Company for the purposes of
- (a) adopting the new articles of association of the Company and amending the objects of the Company, and
  - (b) altering the Company's share capital



- 3 2 **IT WAS RESOLVED** that the Written Resolutions be approved and recommended to the shareholder of the Company The meeting was then adjourned to allow this to take place

On resumption of the meeting it was noted that the Written Resolutions have been passed by the sole shareholder of the Company

#### **4 APPOINTMENT AND DESIGNATION OF DIRECTORS**

- 4 1 **It was noted** that, in accordance with the Shareholders Agreement, Robert Sendall and Alix Pretlove have been designated as A Shareholder Directors and Michael Masterson and Lester Hurst (who had each consented in writing so to act) be appointed as additional directors of the Company with immediate effect
- 4 2 It was resolved that Robert Sendall be elected chairman of the board of directors

#### **5 APPLICATIONS FOR SHARES**

- 5 1 It was reported that the following applications for shares had been made and that each applicant had paid cash in full at £0 10 per share

<i><b>Applicant's Name</b></i>	<i><b>Number of Shares</b></i>
Live Organisation Limited	690 A Shares
Michael Masterson	200 B Shares
Lester Hurst	50 B Shares
Ian Smith	25 B Shares
John Hurst	25 B Shares

- 5 2 It was resolved that the shares be allotted in accordance with the above table and that share certificates for those shares be issued

#### **6. DIRECTORS' INTERESTS**

In accordance with Sections 317 and 324 of the Act, Michael Masterson and Lester Hurst formally notified the meeting of their interest in the business to be dealt with at the meeting Such declaration was taken as sufficient for the purposes of the Act, the articles of association of the Company and otherwise

#### **7 AUDITORS/ACCOUNTING DATE**

- 7 1 It was resolved that Price Waterhouse Coopers be appointed as the Company's auditors
- 7 2 It was resolved that the Company's accounting reference date be changed to 31 December

## **8 BANKERS**

- 8 1 It was resolved that National Westminster Bank PLC be appointed as bankers to the Company and Robert Sendall, Alix Pretlove and Barry Cranston be signatories to the bank's mandate form

## **9. CORPORATE FORMALITIES**

- 9 1 The Secretary was instructed to issue appropriate share certificates, to update the Company's statutory books to reflect the matters set out in these minutes and to arrange for the filing of the following documents with the Registrar of Companies

9 1 1 Notice of Accounting Reference Date (Form 224),

9 1 2 Notice of Allotment of Shares (Form 88(2)),

9 1 3 Appointment of Directors (Forms 288a),

9 1 4 Notice of subdivision of shares (Form 122),

9 1 5 Written Resolutions,

9 1 6 New Articles of Association, and

9 1 7 Amended Memorandum of Association

## **10 CLOSE OF MEETING**

- 10 1 There being no further business the Chairman declared the meeting closed

A handwritten signature in black ink, consisting of a stylized 'A' followed by a large loop and a horizontal line extending to the right.

**CHAIRMAN**

Company Number 5671763

**THE COMPANIES ACT 1985**

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**COMPANY LIMITED BY SHARES**

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**NEW**  
**ARTICLES OF ASSOCIATION**  
**of**  
**LIVE OVERSEAS LIMITED**

**(Adopted by Written Resolution passed on 14 November 2006)**



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## TABLE OF CONTENTS

	Page
1 PRELIMINARY	2
2 TABLE A	14
3 SHARE CAPITAL	14
4 CLASSES OF SHARES	14
5 RIGHTS ATTACHING TO THE SHARES	15
6 ISSUE OF SHARES	17
7 LIEN AND FORFEITURE	22
8 GENERAL PROVISIONS CONCERNING TRANSFERS OF SHARES	23
9 PERMITTED TRANSFERS	29
10 PRE-EMPTION RIGHTS	31
11 TAG ALONG RIGHTS	37
12 DRAG ALONG RIGHTS	37
13 DEATH/BANKRUPTCY AND EMPLOYEE SHARES	37
14 FAILURE TO TRANSFER	37
15 CLASS MEETINGS AND VARIATION RIGHTS	37
16 PROCEEDINGS AT GENERAL MEETINGS	37
17 VOTES OF MEMBERS	37
18 DIRECTORS	37
19 NO ROTATION	37
20 ALTERNATE DIRECTORS	37
21 NO SHARE QUALIFICATION	37
22 DIRECTORS INTERESTS	37
23 VACATION OF OFFICE	37
24 NO AGE LIMIT	37
25 PROCEEDINGS OF DIRECTORS	37
26 OFFICIAL SEAL FOR USE ABROAD	37
27 INDEMNITY	37
28 NOTICES	37

No 5671763

**THE COMPANIES ACT 1985**

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**COMPANY LIMITED BY SHARES**

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**NEW**

**ARTICLES OF ASSOCIATION**

**of**

**LIVE OVERSEAS LIMITED**

**(Adopted by Written Resolution passed on 14 November 2006)**

**1. PRELIMINARY**

**1.1 Definitions**

In these Articles

**'A Director'** means a director appointed by the A Shareholder(s) and holding office pursuant to Article 18.2,

**'A Share'** means an A ordinary share of £0.10 in the capital of the Company,

**'A Shareholder'** means a holder of an A Share,

**'Act'** means the Companies Act 1985 (as amended by the Companies Act 1989),

**'Articles'** means these articles of association, as from time to time altered,

**'associate'** means any company, 20 per cent or more of the equity share capital of which is beneficially owned from time to time by the relevant person (whether individually or in aggregate),

**'Auditors'** means the auditors of the Company from time to time,

**'B Share'** means a B ordinary share of £0.10 in the capital of the Company,

**'B Shareholder'** means a holder of a B Share,

**'Board'** means the board of directors of the Company as from time to time constituted,

**'Business Day'** means a day (excluding Saturdays) on which banks are open for business in the City of London,

**'Change of Control'** means the obtaining of Control by any person or group of Related Parties who did not previously hold Control,

**'company'** includes any body corporate,

**'Control'** means the holding and/or possession of, the beneficial interest in, shares or other securities of the Company which represent more than 50 per cent of the issued share capital of the Company for the time being or which confer in aggregate on the holders thereof more than 50 per cent of the total voting rights exercisable at general meetings of the Company on all, or substantially all, matters,

**'Deemed Transfer Notice'** means notice from the relevant Shareholder authorising the Company to offer all of its Shares for sale at a Fair Value and otherwise on terms to be established by the Board and the provisions of Article 10 shall have effect, mutatis mutandis, to such Deemed Transfer Notice as if the relevant Shareholder was the Proposing Transferor thereunder and as if any reference therein to Transfer Notice was to the Deemed Transfer Notice,

**'Director'** means a director of the Company,

**'Fair Value'** has the meaning set out in Article 10 9,

**'Group'** means the Company and its subsidiaries from time to time and **'Group Company'** has a corresponding meaning,

**'holding company'** means a holding company as defined in section 736 and section 736A of the Act,

**'Member of the Same Group'** means, in relation to any company, a company which is for the time being the ultimate holding company of such company or a subsidiary of any such holding company,

**'Offeror'** has the meaning set out in Article 11 2 1,

**'Price'** has the meaning set out in Article 10 1 2 (as varied in accordance with Article 10 2 3),

**'Proposing Transferee'** has the meaning set out in Article 10 1 1,

**'Proposing Transferor'** has the meaning set out in Article 10 1,

**'Related Party'** means any person with whom any relevant person

- (a) is connected (as determined in accordance with the provisions of section 839 of the Income and Corporation Taxes Act 1988),
- (b) has an agreement or arrangement (whether legally enforceable or not and whether or not in writing) whereby voting rights attaching to shares in the capital of the Company are to be exercised in accordance with that relevant

person's instructions (whether given directly or through any other person), and/or

- (c) is an associate of such person or any person controlled by or connected with such person;

**'Sale Shares'** has the meaning set out in Article 10 1,

**'Shares'** means A Shares and B Shares,

**'Shareholder'** means a holder of Shares (whether A Shares or B Shares),

**'subsidiary'** means a subsidiary as defined in section 736 and section 736A of the Act,

**'Table A'** means Table A in the Companies (Tables A to F) Regulations 1985 in force at the date of adoption of these Articles,

**'Third Party Offer'** has the meaning set out in Article 11 2,

**'Third Party Offer Price'** has the meaning set out in Article 11 2 2 as construed in accordance with Article 11 1,

**'Third Party Offer Terms'** has the meaning set out in Article 11 2 3, and

**'Transfer Notice'** has the meaning given in Article 10 1

## **1 2 Same meanings as in the Act**

Save as provided in Article 1 1 and unless the context otherwise requires; words or expressions contained in these Articles bear the same meaning as in the Act

## **1 3 Statutory modification**

In these Articles, save where the context otherwise requires, a reference to a statute, statutory provision or regulation shall include a reference

1 3 1 to that statute, statutory provision or regulation as from time to time consolidated, modified, re-enacted or replaced by any statute, statutory provision or regulation,

1 3 2 to any repealed statute, statutory provision or regulation which it re-enacts (with or without modification), and

1 3 3 to any subordinate legislation made under the relevant statute or regulation

## **1 4 Interpretation**

In these Articles, unless the context otherwise requires

1 4 1 a reference to a person includes a reference to a company and to an unincorporated body of persons

1 4 2 a reference to an Article is to a clause of these Articles and a reference to a Regulation is to a regulation of Table A



## **2. TABLE A**

The Regulations contained in Table A shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with these Articles. Regulations 2, 39, 40, 50, 53, 54, 64 to 69 (inclusive), 72 to 81 (inclusive) 84, 88, 89, 90, 93, 109, 110, 112 and 118 in Table A shall not apply to the Company

## **3. SHARE CAPITAL**

The share capital of the Company on the date of adoption of these Articles is £100 divided into 700 A Shares and 300 B Shares

## **4. CLASSES OF SHARES**

Each class of shares shall entitle the holders thereof to the respective rights and privileges and subject them to the respective restrictions and provisions in these Articles

## **5. RIGHTS ATTACHING TO THE SHARES**

- 5.1 Subject to any special rights which may be attached to any class of shares issued after the date of adoption of these Articles the rights attaching to the Shares are as follows

### **5.1.1 Capital**

On a return of assets on liquidation or otherwise, the assets of the Company available for distribution among the members shall be applied first in paying to the holders of the Shares a sum equal to the nominal amount of each Share held by them and secondly the balance of such assets (if any) shall be distributed amongst the holders of the Shares, pro rata (as nearly as may be) according to the nominal amounts paid up or credited as paid up on the Shares held by them respectively

### **5.1.2 Income**

Subject to the provisions of these Articles, the profits of the Company available for distribution and resolved to be distributed in respect of any financial year shall be distributed among the holders of the Shares. Every dividend shall be distributed to the Shareholders pro rata (as nearly as may be) according to the number of the Shares held by them respectively

### **5.1.3 Voting**

On a poll every Shareholder shall have one vote for every Share of which it is the holder

## **6. ISSUE OF SHARES**

### **6.1 Pre-emption on issue**

Subject to the provisions of Article 6.7 any shares in the capital of the Company which are unissued from time to time shall be available for issue only as Shares and shall before they are issued whether for cash or otherwise be offered to Shareholders in proportion, as nearly as may be, to their holdings

## **6 2 Procedure for offering**

The offer referred to in Article 6 1 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 21 days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time the directors shall offer the Shares which have been declined or are deemed to be have been declined to the persons who have within the said period accepted all the Shares offered to them. Such further offer shall be on the same terms as the first offer and shall invite each of the holders to state in writing within a period of not less than 14 days whether it is willing to take any, and if so what maximum number, of the Shares so offered.

## **6 3 Allotment of shares after offers**

At the expiration of the time limited by the notice or notices given pursuant to Article 6 2 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 relevant offer. No member shall be obliged to take more than the maximum number of Shares it has indicated its willingness to take. The directors shall make such arrangements as they shall think fit concerning entitlements to fractions, overseas shareholders and shareholders unable by law or regulation to receive or accept any offer pursuant to this Article.

## **6 4 Disapplication of statutory pre-emption provisions**

Sections 89 and 90 of the Act shall not apply to the Company.

## **6 5 No renunciation of allotment**

No Shares shall be allotted on terms that the right to take up the Shares allotted may be renounced in favour of, or assigned to, another person and no person entitled to allotment of a Share may direct that such a Share may be allotted or issued to any other person.

## **6 6 Designation of shares**

Shares allotted pursuant to Article 6 3 to a member by reference to his holding of A Shares or B Shares shall on allotment be designated a Share of such class.

## **6 7 Waiver or variation**

With the prior written approval of all the Shareholders, any of the restrictions or other provisions of this Article may be waived or varied by the directors in relation to any proposed issue of shares.

## **7 LIEN AND FORFEITURE**

All shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 6 as if they were unissued shares of the Company. Regulations 9 and 20 of Table A shall be modified accordingly.

## **8. GENERAL PROVISIONS CONCERNING TRANSFERS OF SHARES**

### **8 1 General restriction on transfer**

The right to transfer Shares shall be subject to the rights and restrictions set out in Articles 8 to 134 inclusive and no Share nor any interest therein shall be transferred to or become vested in any person otherwise than in accordance with such provisions

### **8 2 Disposal of whole interest only**

Save as permitted pursuant to these Articles no transfer, disposal, charge, mortgage, assignment or other dealing in any Shares or any interest or right therein shall occur other than the transfer of the whole legal and equitable title to such Shares with full title guarantee free from all liens, charges and encumbrances and with all rights, title and interest in existence at the date of transfer together with all rights which may arise in respect thereof thereafter (and 'transfer', in the context of a transfer of Shares, shall be construed accordingly in these Articles)

### **8 3 Attempted disposal of interest in shares**

If a member at any time attempts to deal with, or dispose of, a Share or any interest therein or right attaching thereto otherwise than in accordance with the provisions of these Articles he shall be deemed immediately prior to such attempt to have given a Deemed Transfer Notice in respect of such Shares

### **8 4 Equitable and floating shares**

A member may not at any time create any equitable or floating charge on or over any of its Shares and in the event that a member creates or attempts to create any such charge over its Shares it shall be deemed to have given a Deemed Transfer Notice immediately prior to such creation or attempt

### **8 5 Reasons for declining to approve a transfer**

The directors shall be entitled to decline to register the transfer of any Shares made pursuant to and complying with the provisions of Articles 8 to 134 inclusive if they have substantial reasons for believing that a transfer purportedly made in accordance with any such provision is not in fact in any material respect in accordance therewith in which event they shall decline to register such transfer

### **8 6 Provision of information – transfer of Shares**

For the purpose of ensuring that a transfer of Shares is in accordance with these Articles and duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is or may be deemed to have been given hereunder or for the purpose of ascertaining when a Transfer Notice is or may be deemed to have been given hereunder or for the purpose of ascertaining whether any relevant provisions of these Articles apply, the directors may require any member, the representative of any member appointed pursuant to section 375 of the Act, the receiver, administrator, administrative receiver or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the directors shall think fit regarding any matter which they may deem relevant to such purpose

## 8 7 Re-designation of Shares

Whenever an A Share or a B Share is transferred to a member holding only shares of another class such first mentioned Share shall upon registration of the transfer be converted into and re-designated as a share of such other class and any share certificate issued to the transferee shall take account of such conversion and re-designation

## 8 8 Waiver or variation

With the approval of the A Shareholders such approval to be given in accordance with the provisions of Article 15, any of the restrictions or other provisions of Articles 8 to 134 inclusive may be waived or varied by the directors in relation to any proposed transfer of Shares or any other matter

## 9. PERMITTED TRANSFERS

### 9 1 The Shares may only be transferred as follows

9 1 1 pursuant to Articles 10, 11, 12 and/or 13,

9 1 2 to a Member of the Same Group as the transferring shareholder,

provided that if in the case of any transfer pursuant to Article 9 1 2, the relevant transferee ceases to be a Member of the Same Group as the transferor, it shall be the duty of the transferee and the transferor to notify the Board of such event and to procure that the Shares concerned are forthwith transferred back to the transferor or Member of the Same Group as the transferor. If such transfer has not been effected within 30 days of the Board being notified or otherwise becoming aware of such event, the transferee shall be deemed to have given a Deemed Transfer Notice in respect of all the Shares held by it

## 10. PRE-EMPTION RIGHTS

### 10 1 Transfer Notice

Save for a transfer under Articles 9 1 2, and subject as provided in Articles 8, 11 and 12, before transferring any Shares the person proposing to transfer the same (the '**Proposing Transferor**') shall give notice in writing ('**Transfer Notice**') to the Company that he proposes to transfer such Shares (the '**Sale Shares**') and shall state in the Transfer Notice

10 1 1 the name and business of the proposing transferee ('**Proposing Transferee**'),

10 1 2 the cash price per share at which the Sale Shares are to be sold to such third party ('**Price**'), and

10 1 3 all other material terms of the proposed transfer ('**Terms**')

The Transfer Notice shall constitute the Company (by the Board) the agent for the transfer of the Sale Shares at the Price and on the Terms. Save as hereinafter provided, a Transfer Notice once given or required to be given or deemed to have been given shall be irrevocable. A Transfer Notice may contain a provision that unless all or a specified number of the Sale Shares are sold by the Company the

Transfer Notice shall be withdrawn and any such provision shall be binding on the Company

## 10 2 **Board's Discretion on Price**

Within 7 days of receipt of a Transfer Notice a meeting of the Board shall be convened and held to discuss the Transfer Notice and in particular to decide whether the Price set out in the Transfer Notice is, in the opinion of the Board, fair and reasonable. In the event that the Board (acting by majority) concludes that the Price is not fair and reasonable the Board shall be entitled at its discretion to require the Proposing Transferor to offer the Sale Shares for sale at Fair Value rather than at the Price. In order to exercise its discretion hereunder the Board must notify the Proposing Transferor in writing within 14 days of the date of receipt of the Transfer Notice ('**Revaluation Period**') of its decision that the Sales Shares should be offered for sale at Fair Value ('**Revaluation Notice**'). Consequently in the event that

10 2 1 the Board fails to serve a Revaluation Notice on the Proposing Transferor within the Revaluation Period the Sale Shares shall be offered for sale at the Price and otherwise on the Terms in accordance with Article 10 3 to 10 8 (inclusive),

10 2 2 the Board serves a Revaluation Notice on the Proposing Transferor within the Revaluation Period, the Proposing Transferor shall be entitled by notice in writing on the Company within 7 days of receipt of the Revaluation Notice to withdraw the Transfer Notice,

10 2 3 the Board serves a Revaluation Notice on the Proposing Transferor within the Revaluation Period and the Proposing Transferor does not exercise its rights to withdraw the Transfer Notice pursuant to Article 10 2 2 the Board shall instruct the Auditors to calculate the Fair Value of the Sale Shares in accordance with Article 10 9 and for the purposes of Articles 10 3 to 10 8 (inclusive) the 'Price' shall mean the Fair Value of the Sale Shares as calculated by the Auditors in accordance with Article 10 9

## 10 3 **Offer of Sale Shares**

Subject as provided in Article 10 2, on receipt of a Transfer Notice, the Sale Shares shall be offered for sale by the Company in writing for purchase at the Price and on the Terms to all the A Shareholders (other than the Proposing Transferor) ('**Offer**') within

10 3 1 10 Business Days of the date of the Board meeting held pursuant to Article 10 2 (where the Board does not serve a Revaluation Notice on the Proposing Transferor pursuant to Article 10 2), or

10 3 2 10 Business Days of receipt of the decision of the Auditors as to the Fair Value of the Sale Shares pursuant to Article 10 9 (where the Board serves a Revaluation Notice on the Proposing Transferor pursuant to Article 10 2)

## 10 4 **Offer Period**

The Offer shall specify that unless the Offer is accepted within 30 days ('**Offer Period**') it will lapse. The Offer may be accepted by any Shareholder either unconditionally or conditionally upon finance and/or shareholders' approval but whether the Offer is accepted unconditionally or conditionally completion of the

purchase of the Sale Shares must take place within 60 days of acceptance of the Offer otherwise the Offer will lapse. In the case of competition in respect of any such Offer the Sale Shares so offered shall be allocated 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 holding of A Shares or B Shares (as the case may be).

#### **10 5 Notification of Purchasers**

If the directors shall within the Offer Period find Shareholders (each such person called a '**Purchaser**') to purchase the Sale Shares or any of them and give notice in writing thereof to the Proposing Transferor, the Proposing Transferor shall be bound, upon payment of the Price, and upon fulfilment of the Terms (if any) to transfer the Sale Shares to the respective Purchasers. Every such notice from the directors shall state the name and address of the Purchaser concerned and the number of shares agreed to be purchased by him. The purchase shall be completed as soon as reasonably practicable and in any event within 60 days of acceptance of the Offer by the Purchaser at a place and time to be appointed by the directors when, against payment of the Price and any relevant stamp duties and fulfilment of the Terms (if any), the Proposing Transferor shall deliver transfers in favour of the Purchaser together with the share certificates in respect of the relevant Sale Shares and the Purchaser shall be registered as the holder of the relevant Sale Shares in the register of members of the Company and a share certificate in respect of the Sale Shares shall be delivered to the Purchaser as soon as practicable thereafter.

#### **10 6 Offer to other Shareholders**

If the Directors shall not within the Offer Period find A Shareholders willing to purchase all the Sale Shares at the Price and on the Terms the Sale Shares or such number of the Sale Shares as have not been agreed to be purchased by the A Shareholders pursuant to the procedure set out in Articles 10 3, 10 4 and 10 5 shall within 10 Business Days of the date of expiry of the Offer Period be offered by the Company in writing for purchase at the Price and on the Terms to all the B Shareholders in accordance with Articles 10 4 and 10 5.

#### **10 7 Purchasers not found for Sale Shares**

If the directors shall not by the end of the Offer Period (as extended if necessary by the offer of some or all of the Sale Shares to other Shareholders pursuant to Article 10 6) find Purchasers willing to purchase all the Sale Shares at the Price and on the Terms the Proposing Transferor at any time thereafter up to six weeks from the date of expiry of the Offer Period (as extended if necessary) shall be at liberty to transfer those of the Sale Shares which have not been purchased by the Purchasers to any person by way of a bona fide sale at any cash price being not less than the Price and on any terms being not less onerous than the Terms provided that the directors may require to be satisfied that the Sale Shares are being transferred pursuant to a bona fide sale upon the Terms and at the Price without any deduction, rebate or allowance whatsoever to the Purchaser and if not so satisfied may refuse to register the instrument of transfer.

#### **10 8 Failure to complete by Purchaser**

Where the directors shall have found a Purchaser or Purchasers and through no default of the Proposing Transferor any purchase is not duly completed, the directors shall forthwith notify the Purchaser or all of the Purchasers (as the case may be) and

if within 7 days of such notice being given the Purchaser or Purchasers between them shall not have duly completed the purchase of the Sale Shares in respect of which there has been default in completion, the Proposing Transferor shall be at liberty to sell those of the Sale Shares not purchased by the Purchasers to any person in accordance with Article 10 7

#### 10 9 Calculation of Fair Value

For the purposes of these Articles '**Fair Value**' shall be a price for the relevant Shares established by the Auditors. The Auditors shall be asked to state in writing what is in their opinion the fair selling value of the relevant Shares on the open market as between a willing vendor and a willing purchaser without taking into account the fact that the relevant Shares represent a majority or a minority of the whole of the issued share capital of the Company. For this purpose the Auditors shall take account of all information which a prudent prospective purchaser might reasonably require if he were proposing to purchase the relevant Shares from a willing vendor by private treaty and at arm's length together with such information as any member of the Company may wish to provide to them and such other information as they may reasonably require. In so stating their opinion the Auditors shall be deemed to act as experts and not as arbitrators and their determination shall be final and binding on all concerned. The costs involved in the Auditor's determination of the Fair Value shall be borne equally by the Company and the Proposing Transferor. If the Auditors decline to act for any reason, then the Company shall appoint an independent valuer as nominated by the President of the Institute of Chartered Accountants to act in its place.

#### 11. TAG ALONG RIGHTS

11 1 No sale or transfer of the legal or beneficial interest in any Shares may be made or validly registered if a Change of Control would result from such sale or transfer unless the Proposing Transferee has offered to purchase all the issued Shares for a sum in cash equal to the highest price per Share (irrespective of whether they are A Shares or B Shares) paid or payable by the Proposing Transferee or its nominee for any Shares within the last 12 months or agreed to be paid by the Proposing Transferee, which price shall be deemed to include any consideration (in cash or otherwise) paid or payable by the Proposing Transferee which, having regard to the substance of the transaction as a whole, is reasonably regarded by the Board as an addition to the price so paid or payable and '**Third Party Offer Price**' shall be construed accordingly.

11 2 In the event that an offer is received by the Company or any Shareholder for the whole of the issued share capital of the Company, in accordance with Article 11 1 ('**Third Party Offer**') the Company or any such Shareholder shall notify each other Shareholder in writing of the terms of the Third Party Offer ('**Third Party Offer Notice**'). The Third Party Offer Notice shall set out the following information:

11 2 1 the name(s) and address(es) of the person or group of Related Parties making the Third Party Offer ('**Offeror**'),

11 2 2 the price per share which the Offeror is willing to pay for the Shares ('**Third Party Offer Price**'), and

11 2 3 any other significant terms and conditions of the Third Party Offer ('**Third Party Offer Terms**') including the time for acceptance of the Third Party Offer

being not less than 30 days nor more than 60 days after the date of the Third Party Offer Notice (**'Acceptance Period'**)

- 11 3 In the event that a Third Party Offer is received for the entire issued share capital of the Company pursuant to this Article 11, the Shareholders (including option holders on the basis that options will be deemed to have been exercised on the delivery of the Third Party Offer Notice) (**'Tagged Along Shareholders'**) shall have the right (the **'Tag Along Right'**) to accept the Third Party Offer by serving notice to that effect in respect of all (and not some only) of their Shares (**'Tagged Along Shares'**) on the Offeror within the Acceptance Period
- 11 4 Upon the exercise of the Tag Along Right in accordance with this Article 11, each of the Tagged Along Shareholders shall be bound to sell their Tagged Along Shares for the Third Party Offer Price and on the Third Party Offer Terms and otherwise in accordance with this Article 11
- 11 5 Completion of the sale of the Tagged Along Shares shall take place on the date specified for that purpose by the Offeror in the Third Party Offer Notice save that
- 11 5 1 the Offeror may not specify a date that is more than 14 days after the end of the Acceptance Period, and
- 11 5 2 the date so specified by the Offeror shall be the same date as the date proposed for completion of the sale of all other issued Shares

## **12. DRAG ALONG RIGHTS**

- 12 1 In the event that a Third Party Offer is received for the entire issued share capital of the Company pursuant to Article 11, Shareholders holding Shares which together represent more than 50 per cent of the issued share capital of the Company who accept the Third Party Offer (**'Accepting Shareholders'**) shall have the right (the **'Drag Along Right'**) to require the non-Accepting Shareholders (including option holders on the basis that options will be deemed to have been exercised on the delivery of the Tag Along Notice) (the **'Dragged Along Shareholders'**) to transfer all of the Shares held by them to the Offeror at the Third Party Offer Price and on the Third Party Offer Terms
- 12 2 The Drag Along Right may be exercised by Accepting Shareholders serving notice to that effect (the **'Drag Along Notice'**) on the Dragged Along Shareholders specifying that each Dragged Along Shareholder is required to transfer its Shares (the **'Dragged Along Shares'**) pursuant to this Article 12
- 12 3 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Accepting Shareholders do not transfer all of their Shares (**'Accepted Shares'**) to the Offeror within 60 days from the date of the Drag Along Notice
- 12 4 The Dragged Along Shareholders shall only be obliged to sell the Dragged Along Shares on terms that they shall be entitled to receive the Third Party Offer Price for their holdings of Shares
- 12 5 Upon the exercise of the Drag Along Right in accordance with this Article 12, each of the Dragged Along Shareholders shall be bound to sell its Dragged Along Shares for the Third Party Offer Price and on the Third Party Offer Terms and otherwise in accordance with this Article 12



12 6 Completion of the sale of the Dragged Along Shares shall take place on the date specified for that purpose by the Accepting Shareholders to the Dragged Along Shareholders in the Drag Along Notice save that

12 6 1 the Accepting Shareholders may not specify a date that is less than 30 days after the date of the Drag Along Notice, and

12 6 2 the date so specified by the Accepting Shareholders shall be the same date as the date proposed for completion of the sale of the Accepted Shares,

unless, in the case of the sale by any particular Dragged Along Shareholder, that Dragged Along Shareholder and the Accepting Shareholders otherwise agree

### 13. DEATH/BANKRUPTCY AND EMPLOYEE SHARES

13 1 If any person becomes entitled to a Share in consequence of the death, bankruptcy, receivership, administration or liquidation of a Shareholder, that person (together the '**Relevant Shareholders**') shall be bound at any time, if required in writing to do so by the directors not later than 60 Business Days after the directors have received notice in writing from the Relevant Shareholders concerned that they have become so entitled, to give a Transfer Notice in relation to any Shares held by them. In this case, the provisions of Articles 10 will apply to the transfer of the Shares (which shall be deemed to be '**Sale Shares**' for the purposes of such Articles) as if any reference therein to '**Proposing Transferor**' is to such Relevant Shareholders except that payment of the Price for the Shares pursuant to Article 10 5 shall be made within 60 Business Days of acceptance of the Offer by the Purchaser

13 2 If any of the Relevant Shareholders fail to give a Transfer Notice in accordance with Article 13 1, a Deemed Transfer Notice will be deemed to have been given

13 3 The voting rights attached to any Share in respect of which a Transfer Notice is given or deemed to have been given pursuant to Articles 13 1, 13 2 or 13 4 shall forthwith be suspended until such time as the relevant Shares have been transferred in accordance with these Articles

13 4 If any Employee Shareholder (as defined below) ceases to be an Employee at any time such Employee Shareholder shall be deemed to have served a Deemed Transfer Notice on the Company on the date on which he/she ceases to be so employed in respect of all the Shares registered in his/her name, and the provisions of Article 10 shall apply to the transfer of such Shares (which shall be deemed to be '**Sale Shares**' for the purposes of such Articles) as if any reference therein to the Proposing Transferor is to such Employee Shareholder save that the Price shall in the case of an Employee Shareholder who is a Good Leaver be Fair Value as determined in accordance with Article 10 9 and shall in the case of an Employee Shareholder who is a Bad Leaver be the aggregate nominal value of such Shares

13 5 For the purposes of this Article 13

'**Bad Leaver**' means an Employee Shareholder who ceases to be an Employee for whatever reason other than by reason of

(a) death or retirement,

(b) serious illness or disability giving rise to permanent incapacity to continue in employment,

- (c) redundancy,
- (d) unfair, wrongful or constructive dismissal,
- (e) circumstances where the Board determines (in its sole discretion) that the Employee Shareholder is not a Bad Leaver

**'Employee'** means an employee of the Company,

**'Employee Shareholder'** means any Shareholder who is also an Employee, and

**'Good Leaver'** means any Employee Shareholder who ceases to be an Employee and who is not a Bad Leaver,

**'unfair'** and **'constructive dismissal'** shall have the meanings given to them in the Employment Rights Act 1996 save that a dismissal shall not be regarded as unfair solely by reason of procedural unfairness, and

**'wrongful dismissal'** shall mean dismissal in breach of the terms of the employee's contract of employment

## **14 FAILURE TO TRANSFER**

If in any case a transferor, after having become bound to transfer any Shares pursuant to these Articles shall make default in so doing or shall fail to deliver share certificates in respect thereof, the directors may authorise some person to execute and deliver on his behalf any necessary transfer in favour of the relevant transferee and shall receive the purchase money and shall thereupon (subject to the transfer being duly stamped) cause the name of the relevant transferee to be entered into the register of members of the Company as the holder of the relevant Shares. The Company shall hold the purchase money in trust for the relevant transferee but shall not be bound to earn or pay interest thereon. The receipt of the Company for the purchase money shall be a good discharge to the relevant transferee who shall not be bound to see to the application thereof and after the name of the relevant transferee has been entered in the register of members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person

## **15. CLASS MEETINGS AND VARIATION RIGHTS**

### **15.1 Class meetings**

Except as otherwise provided by these Articles, the provisions of these Articles relating to general meetings shall apply, with necessary modifications, to any meeting of the holders of shares of a particular class save that the requisite quorum shall be two persons, present in person, by proxy or by corporate representative, holding or representing not less than one-third of the issued shares of the class and that any holder of shares of the appropriate class, present in person, by proxy or by corporate representative and entitled to vote, may demand a poll and on a poll every holder of shares of a particular class present in person, by proxy or by corporate representative shall have one vote for every share of which he is the holder

### **15.2 Variation of rights**

All or any of the special rights or privileges for the time being attached to any share or class of shares in the capital of the Company (notwithstanding that the Company

may be or be about to be in liquidation) may, either with the prior consent in writing of the holders of not less 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 shares of that class duly convened and held as hereinafter provided (but not otherwise), be varied or abrogated

## **16 PROCEEDINGS AT GENERAL MEETINGS**

### **16 1 Quorum**

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and remains present during the transaction of business The quorum shall be as follows

16 1 1 two persons present at the meeting who are entitled to vote upon the business to be transacted of whom at least one shall be an A Shareholder, each being a member or a proxy for a member or a duly authorised representative of a corporation,

16 1 2 notice of the meeting having been served on each Shareholder pursuant to Regulation 38

If a quorum is not present within half an hour of the time appointed for the adjourned meeting the meeting will be dissolved

### **16 2 Poll**

A poll may be demanded at any general meeting by the chairman or any member present in person, by proxy or by corporate representative and entitled to vote

### **16 3 Signed Resolutions**

A resolution executed or approved in writing by or on behalf of the holders of all the issued Shares entitled to vote thereon shall be as valid and effective for all purposes as a resolution passed at a general meeting duly convened and held and may consist of several documents in the like form, each executed by or on behalf of one or more persons In the case of a corporation the resolution may be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative

## **17. VOTES OF MEMBERS**

### **17 1 Votes of members**

At any general meeting of the Company

17 1 1 on a show of hands every member who (being an individual) is present in person or by proxy (not being himself a member) or (being a corporation) is present by proxy or by a representative duly authorised under section 375 of the Act (not being himself a member) shall have one vote,

17 1 2 any vote on a show of hands which is not unanimous shall go to a poll,

17 1 3 on a poll every Shareholder present in person, by representative or by proxy shall have one vote for every Share of which it is the holder

**17 2 Casting vote of chairman**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to any other vote he may have

**18 DIRECTORS**

**18 1 Number of Directors**

The number of directors shall be not less than two

**18 2 Procedure for appointment and removal**

Any appointment or removal of an A Director shall be decided by the A Shareholders by a written direction signed by the A Shareholders holding a majority in nominal value of the issued A Shares or by an ordinary resolution passed at a separate meeting of A Shareholders duly convened and held in accordance with Article 15 provided that any such meeting may be convened by any A Shareholder Any appointment or removal pursuant to this Article shall take effect upon delivery of the direction or resolution to the registered office of the Company

**19. NO ROTATION**

The directors shall not be required to retire by rotation

**20. ALTERNATE DIRECTORS**

**20 1 Appointment and removal**

Any director (other than an alternate director) may from time to time appoint any other director to be an alternate director of the Company, and may at any time remove any alternate director so appointed by him from office, and appoint another person approved by a resolution of the directors in his place Any appointment of an alternate director may provide for two or more persons in the alternative to act as an alternate director

**20 2 Notice of appointment or removal**

Any such appointment or removal shall be by notice to the Company signed by the director making or revoking the appointment and shall take effect upon service on the Company at its registered office or in any other manner approved by the directors

**20 3 Cessation of appointment**

An alternate director shall ipso facto cease to be an alternate director if his appointor ceases for any reason to be a director

**20 4 Functions of alternate director**

An alternate director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of directors, to attend, to be counted in the quorum for and to vote as a director (with the same designation as the director appointing him) at any such meeting at which the director appointing him is not personally present and

generally to perform all functions of his appointor as a director in the absence of such appointor including, without prejudice to the generality of the foregoing, power to sign any resolution pursuant to Article 25.3

**20.5 Voting rights cumulative**

Any director acting as alternate for another Director shall have an additional vote at meetings of the Board for each director for whom he acts as alternate but he shall only count as one person for the purpose of determining whether a quorum is present

**20.6 Alternate director responsible for own acts**

An alternate director shall alone be responsible for his own acts and defaults and the director so appointing him shall not be responsible for the acts and defaults of an alternate director so appointed

**20.7 Remuneration**

The remuneration of any such alternate director shall be payable out of the remuneration payable to the director appointing him and shall consist of such part (if any) of the last mentioned remuneration as may be agreed between the alternate director and the director appointing him

**20.8 Power to act**

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

**21. NO SHARE QUALIFICATION**

Neither a director nor an alternate director shall require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares of the Company

**22. DIRECTORS INTERESTS**

A director (including an alternate director) who has duly declared his interest therein to the Board pursuant to section 317 of the Act may vote as a director in regard to any contract or arrangement in which he is interested or upon any matter arising therefrom, and if he so votes his vote shall be counted, and he shall be counted in the quorum when any such contract or arrangement is under consideration

**23 VACATION OF OFFICE**

**23.1** Without prejudice to the provisions of Article 18, the office of a director shall be vacated

**23.1.1** if by notice in writing to the Company he resigns the office of director,

**23.1.2** if he shall have failed to attend four successive meetings of the Board duly convened in accordance with Articles 25.2 without permission of the Board unless he shall have appointed an alternate director who has attended one or more of such meetings,

23 1 3 if he appears unable to pay a debt which is payable immediately or to have no reasonable prospect of paying a debt which is not immediately payable in either case within the meanings given to such expressions in section 268 of the Insolvency Act 1986,

23 1 4 if he is subject to an interim order under Section 252 of the Insolvency Act 1986 or enters into a voluntary arrangement within the meaning given in section 253 of that Act,

23 1 5 if he is prohibited from being or is disqualified as a director by an order made under any provision of the Insolvency Act 1986 or the Company Directors Disqualification Act 1986,

23 1 6 if he is, or may be, suffering from mental disorder and either

(a) he is admitted to hospital in pursuant of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

(b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs,

23 1 7 he is removed from office under section 303 of the Act, or

23 1 8 he is removed from office pursuant to Article 18 2,

in which case if the director so removed is an A Director the A Shareholders shall be entitled by notice in writing served on the Company to appoint another A Director

## **24. NO AGE LIMIT**

Unless and until otherwise determined by the Company by ordinary resolution, either generally or in any particular case, no director shall vacate or be required to vacate his office as a director on or by reason of his attaining or having attained the age of seventy. Any person proposed to be appointed a director shall be capable of being appointed as a director notwithstanding that he has attained the age of 70. No special notice need be given of any resolution for the appointment as a director of a person who shall have attained the age of 70 and it shall not be necessary to give to the members notice of the age of any director or person proposed to be so appointed.

## **25 PROCEEDINGS OF DIRECTORS**

### **25 1 Quorum**

The quorum necessary for the transaction of the business of the Board shall be as follows

25 1 1 at least two directors being present at the meeting of which at least one shall be an A Director, and

25 1 2 notice of the meeting having been served on each director pursuant to Article 25 2

A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

**25 2 Regulation of meetings**

25 2 1 Meetings of the Board shall be held at least once in every calendar month 4 times per year at not more than four monthly intervals

25 2 2 Save with the prior consent of at least one A Director, a minimum of 7 days' notice of meetings of the Board accompanied by the venue for such meeting and an agenda of the business to be transacted (together with where practicable all papers to be circulated or presented to the same) shall be given to all the directors

25 2 3 Every Director present at the meeting shall have one vote Questions arising at any meetings shall be decided by a majority of votes

25 2 4 A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the Board

25 2 5 Subject as aforesaid, the directors may adjourn and otherwise regulate their meetings as they think fit

**25 3 Signed Resolution**

A resolution executed or approved in writing by all the directors shall be as valid and effective for all purposes as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in the like form, each signed by one or more of the directors 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

**25 4 Delegation to committees**

25 4 1 The directors may delegate any of their powers to a committee consisting of at least two directors of whom at least one shall be an A Director

25 4 2 No committee shall be entitled to transact any business which the Board would not be entitled to transact, and the provisions of Articles 25 2 2 to 25 2 5 (inclusive) and 25 5 shall apply, mutatis mutandis, to meetings of any committee

**25 5 Meetings by means of conference facilities**

A meeting of the Board may consist of a conference between directors some or all of whom are in different places provided that each director who participates is able

25 5 1 to hear each of the other participating directors addressing the meeting, and

25 5 2 if he so wishes, to address each of the other participating directors simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when this Article 25 5 is adopted or developed subsequently) or by a combination of such methods A quorum shall be deemed to

be present if those conditions are satisfied in respect of at least the number and designation and nationality of directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. Any director may, by prior notice to the secretary, indicate that he wishes to participate in the meeting in such manner, in which event, the directors shall procure that an appropriate conference facility is arranged.

## **26. OFFICIAL SEAL FOR USE ABROAD**

The Company may have an official seal for use abroad under the provisions of the Act, where and as the Board shall determine, and the Company may by writing under the Common Seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company, for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the Common Seal of the Company, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

## **27 INDEMNITY**

Every director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 727 of the Act in which relief is granted to him by the courts and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. The Company may purchase and maintain for any officers or the Auditors insurance against any liability which by virtue of any rule of law would otherwise attach to him or them in respect of any negligence, default, breach of duty or breach of trust of which he or they may be guilty in relation to the Company.

## **28. NOTICES**

- 28 1 The Company may give notice to a member either personally or by sending it by first class post (air mail if overseas) in a prepaid envelope addressed to the member at his registered address or at such other address as the member may notify the Company in writing from time to time or by leaving it at such address or by sending it by facsimile to such facsimile number as the member may notify the Company in writing from time to time.
- 28 2 In the case of joint holders of a share, all notices shall be given to the joint holder whose name is shown first in the register of members in respect of the joint holding and notice so given shall be sufficient to all joint holders.
- 28 3 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given on the same day as delivery in the case of communications delivered by hand, 48 hours after posting in the case of communications sent by ordinary first class post, 6 days after posting in the case of communications sent by



air mail and if sent by facsimile on completion of its transmission in a complete and legible form