

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
POWERPLAY GOLF HOLDINGS LIMITED (the "Company")
(Registered Number 06009269)

WRITTEN RESOLUTION

(Passed: 14 December) 2008

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following resolutions were passed as written resolutions of the Company by the sole eligible member who, at 14 December would have been entitled to vote on the resolution

SPECIAL RESOLUTION

"THAT the regulations contained in the document annexed to, and signed as relative to, this written resolution be and are approved and adopted as the articles of association of the Company in substitution for, and to the entire exclusion of, the existing articles of association of the Company "

ORDINARY RESOLUTIONS

"THAT in substitution for any existing authority under section 80 of the Companies Act 1985 (as amended) (the "Act") but without prejudice to the exercise of any such authority prior to the date of this resolution, the directors of the Company be and are generally and unconditionally authorised in accordance with section 80 of the Act to exercise all powers of the Company to allot relevant securities (as defined in section 80(2) of the Act up to an aggregate nominal value equal to the whole of the authorised but unissued share capital of the Company immediately following the passing of this resolution provided that such authority shall (unless and to the extent previously renewed, varied or revoked by the Company in general meeting) expire on the day prior to the fifth anniversary of the date upon which this resolution is passed and provided that such authority shall allow the Company to make an offer or enter into an agreement before the expiry of such authority which would or might require relevant securities to be allotted after the expiry or replacement of such authority, and the directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired, or as the case may be, replaced "

"THAT the directors be and are authorised pursuant to the provisions of section 95 of the Act and subject to their being duly authorised under section 80 of the Act to allot relevant securities (within the meaning of section (80)(2) of the Act) for cash pursuant to that authority as if sub-section 1 of section 89 of the Act did not apply to any such allotment "



[Signature]
Director/Secretary

SPW

ARTICLES OF ASSOCIATION

POWERPLAY GOLF HOLDINGS LIMITED

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Ref P2064 12/DZL

THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

POWERPLAY GOLF HOLDINGS LIMITED (06009269)

(as adopted by special resolution on *14 December* 2007)

1. Preliminary

1 1 Except for Regulations 24 and 73 to 80 (inclusive) the regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (as amended) ("**Table A**") shall, together with the following regulations, constitute the articles of association of the Company

1 2 In these Articles

1 2 1 headings are used for convenience only and shall not affect construction,

1 2 2 words and expressions which are defined in Table A shall bear the same meaning and, unless the context otherwise requires or save as otherwise provided, words and expressions shall bear the same meaning as in the Act (but excluding any statutory modification not in force when these Articles were first adopted by the Company),

1 2 3 if there is any conflict or inconsistency between any provision in Table A which is applicable to the Company and any provision contained in these Articles the latter shall prevail, and

1 2 4 the following words and expressions shall have the following meanings

"**Act**" Companies Act 1985 or, where the relevant provision has been superseded by the Companies Act 2006, the Companies Act 2006,

"**Business Day**" any day other than a Saturday or Sunday when clearing banks are open for business in London and Edinburgh for the transaction of general banking business,

"**Controlling Interest**" an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act) in a company conferring in

	aggregate 50% or more of the total voting rights conferred by all the issued shares in that Company,
"Deemed Transfer Notice"	shall have the meaning given in the Subscription and Shareholders' Agreement,
"Expert"	has the meaning ascribed to it in Article 6 2,
"Fair Value"	has the meaning ascribed to it in Article 6 2,
"Family Trust"	means, in relation to any Shareholder, a trust which does not permit any of the trust property or its income to be applied otherwise than for the benefit of that Shareholder and/or a Privileged Relation of that Shareholder and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or such Shareholder or his Privileged Relations (and references to shares held by a Family Trust or the trustees shall, for the avoidance of doubt, be deemed to include any shares held on their behalf by a custodian or nominee),
"Founder Shareholders"	means Peter McEvoy, Playgolf (Holdings) plc, David Andrew Christopher Piggins, Andrew Hiseman and Michael Charles Mealey (together with any other person who they shall collectively agree in writing shall be a Founder Shareholder) and "Founder Shareholder" shall be construed accordingly,
"Group"	means in relation to a company, that company and any company which is from time to time a holding company of that company or a subsidiary or subsidiary undertaking of that company or of such holding company,
"Permitted Transferees"	persons to whom Shares have been transferred pursuant to Article 5,
"Privileged Relations"	means the spouse, civil partner, children, grandchildren of a Shareholder, including step children and adopted children,
"Sale Price"	the price agreed or determined in accordance with Clause 6 2,

"Shares"	the Ordinary Shares of £0.01 each in the capital of the Company,
"Shareholder"	any holder of Shares in the Company from time to time, and
"Subscription and Shareholders' Agreement"	means any agreement identified as such relating to the Company made between the Shareholders and the Company, as amended, waived, restated, modified or supplemented from time to time

2. Private Company

The Company is a private company and shall not offer any of its shares or debentures, whether for cash or otherwise, to the public or allot or agree to allot any shares in, or debentures of, the Company with a view to all or any of those shares or debentures being offered for sale to the public

3. Share Capital

- 3.1 The authorised share capital of the Company at the date of adoption of these Articles is £10,000 divided into 1,000,000 ordinary shares of £0.01 each
- 3.2 The Company shall, before the issue of any Shares, offer for subscription to each holder of Shares such proportion of such new Shares as the aggregate nominal value of Shares held by such holder immediately prior to such issue bears to the aggregate nominal value of the total number of Shares in issue immediately prior to the issue of such new Shares. Any offer made by the Company pursuant to this Article shall be made on the same terms and conditions as to payment and otherwise as the issue of the remainder of such new Shares

4. Transfer

- 4.1 The Directors shall only register transfers of Shares made in compliance with the provisions of these Articles or as otherwise agreed in writing by the Shareholders and shall otherwise refuse to register any transfer of Shares
- 4.2 No transfer of Shares shall be registered unless the prior written consent of all of the other Shareholders at the time of the transfer has been obtained (who shall also determine whether any loans made by the transferor to the Company shall be, immediately prior to the transfer, repaid or whether the same shall be obliged to be assigned to the transferee as per the

Subscription and Shareholders' Agreement), save where such transfer is pursuant to a Deemed Transfer Notice, or pursuant to or under Article 5 or Article 6

5. Permitted Transfers

5 1 Notwithstanding any other provision in these Articles, a transfer of Shares in the Company held by any Shareholder may -

5 1 1 at any time during his or her lifetime be made between the Shareholder and any of his or her Privileged Relations or a Family Trust provided that if any person or Family Trust to whom shares are transferred pursuant to this Article 5 1 1 ceases to be a Privileged Relation or Family Trust of the Shareholder immediately upon such cessation the holder shall be obliged to transfer such Shares back to the Shareholder or, at the request of the Shareholder, to another of his Privileged Relations or Family Trusts, or

5 1 2 be made between a Shareholder and a member of that Shareholder's Group, provided that if such transferee ceases to be a member of the Shareholder's Group immediately upon such cessation the holder shall be obliged to transfer such Shares back to the Shareholder or, at the request of the Shareholder, to another member of the Shareholder's Group

5 2 Any person to whom, pursuant to Article 5 1, Shares are transferred shall, for so long as the Shareholder who transferred such Shares remains a member of the Company and entitled to vote in general meeting, be deemed to exercise the voting rights attaching to the Shares which have been transferred in the same manner as such Shareholder exercises the voting rights attaching to the remaining Shares held by him and any purported exercise of voting rights by any transferee in respect of such Shares in such circumstances which are not in accordance with the foregoing provisions of this Article 5 2 shall be disregarded for all purposes

6. Pre-Emption Rights

6 1 Save as otherwise provided in these Articles, or as otherwise agreed in writing by the Shareholders, every member who desires to transfer any Shares (the "**Transferor**") shall give to the Company notice in writing of such desire ("**Transfer Notice**") Subject to anything to the contrary in this Article 6, a Transfer Notice or Deemed Transfer Notice shall constitute the

Company the Transferor's or the relevant Shareholder's agent for the sale of the shares specified therein (the "**Sale Shares**") at the Sale Price

- 6 2 The Sale Price shall be the price determined by a chartered accountant nominated, in the case of a Transfer Notice, by agreement between the Transferor and the Company or, in default of such agreement, by the President for the time being of the Institute of Chartered Accountants of England and Wales (acting as experts and not as arbitrators) or, in the case of a Deemed Transfer Notice, by the Company (the "**Expert**" or "**Experts**") who shall as soon as reasonably practicable certify the same in writing to be in their opinion the fair value of the Sale Shares (the "**Fair Value**") on a going concern basis as between a willing seller and a willing buyer ignoring any reduction or increase in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority or majority interest and on the assumption that the Sale Shares are capable of transfer without restriction and the Experts' decision as to Sale Price shall be final and binding
- 6 3 The Expert's certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy to the Transferor or the relevant Shareholder (the "**Vendor**") The cost of obtaining the certificate shall be borne by the Company
- 6 4 Upon the Sale Price being agreed or fixed as aforesaid the Company shall forthwith offer the Sale Shares as set out below
- 6 5 The Sale Shares shall be offered to all members (other than the Vendor) pro rata as nearly as may be in proportion to the existing numbers of Shares held by such members giving details of the number and the Sale Price of such Sale Shares The Company shall invite each such member as aforesaid to state in writing within seven days from the date of the notice whether he is willing to purchase any of the Sale Shares so offered to him and, if so, the maximum which he is willing to purchase and such invitation will set the basis of allocation of the Sale Shares The Sale Shares shall be allocated in accordance with Articles 6 6 to 6 9
- 6 6 If the Company shall, pursuant to the above provisions of this Article, find a member or members of the Company willing to purchase all or any of the Sale Shares the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares to such persons If the Vendor shall make default in so doing the Company shall, if so required by the person or persons willing to purchase such Sale Shares, receive and give a good discharge of the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall, subject to such transfers

being duly stamped, enter the names of the purchasers in the Register of Members as the holders of such of the Sale Shares as shall have been transferred to them

- 6 7 If the total number of Sale Shares applied for by the members is equal to or less than the number of Sale Shares available, the Sale Shares shall be allocated in satisfaction of the applications received and the provisions of Article 6 9 shall apply to the remaining Sale Shares. If the total number of Sale Shares applied for is more than the number of Sale Shares available, the directors shall allocate the Sale Shares in satisfaction of each member's application for Sale Shares pro rata according to the proportion that the number of shares held by that member bears to the total number of shares held by all members who are prepared to acquire Sale Shares but for the avoidance of doubt excluding the Sale Shares
- 6 8 The Company shall notify the Vendor and each member who applied for the Sale Shares of the number of Sale Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Sale Shares shall be completed
- 6 9 If the directors shall not have found a member or members of the Company willing to purchase all or any of the Sale Shares pursuant to the provisions of this Article the remaining Sale Shares shall be offered to the Company. If the Company is unwilling or unable to purchase all or any of the remaining Sale Shares the Vendor shall be able, at any time within six months, to sell the remaining Sale Shares to any person approved by the directors at a price not less than the Sale Price. For the avoidance of doubt, if at the end of the six month period referred to above, the Vendor wishes to transfer any of the Sale Shares, such Sale Shares must be offered again to the existing members in accordance with the provisions of this Article 6

7. Tag Along

- 7 1 Notwithstanding any other provision of these Articles to the contrary, no Shareholder shall transfer (other than pursuant to Articles 4 or 5) -
- 7 1 1 more than 10% in aggregate of the entire issued share capital, or
- 7 1 2 any shares in the issued share capital (if at the same time as, or otherwise in connection with, such transfer, either David Piggins or Peter McEvoy resign or remove themselves as directors of the Company)

to a proposed transferee unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith (the "**Proposed Buyer**") and has or have offered to purchase all the Shares in issue at the Specified Price calculated as set out below. The holders of the Shares shall have a period of 15 Business Days following receipt of the offer from the Proposed Buyer (the date of receipt being the "**Receipt Date**") in which to notify the Proposed Buyer as to whether or not they wish to sell all or any of the Shares held by them. Completion of the sale of the Shares pursuant to this Article 7 shall (unless all the selling Shareholders agree otherwise) take place on the later of (i) the date proposed for completion of the sale of the shares and (ii) the date which falls 20 Business Days after the Receipt Date.

- 7.2 For the purpose of this Article the "**Specified Price**" shall mean the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the Proposed Buyer for any other shares in the Company plus (i) the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other shares plus (ii) a sum equal to any arrears or accruals of the dividends (if any) on such share calculated down to the date of sale or transfer, and in the event of disagreement the calculation of the Specified Price shall be referred to an Expert (nominated by agreement between the Shareholders and the Company, or, in default of such agreement, by the President for the time being of the Institute of Chartered Accountants of England and Wales).
- 7.3 Subject to Article 8, 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.

8. Drag Along

- 8.1 If the holders of 60% of the shares in issue for the time being (the "**Selling Shareholders**") wish to transfer all their interest in Shares held by them (the "**Sellers' Shares**") to a bona fide arm's length purchaser (the "**Third Party Purchaser**") the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this Article.

- 8 2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with Article 8 4) and the proposed date of transfer.
- 8 3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 8 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Third Party Purchaser for the entire issued equity share capital were distributed to the holders of the Called Shares and the Sellers' Shares.
- 8 5 Save as expressly provided in these articles, no Drag Along Notice may require a Called Shareholder to agree to terms substantially less favourable (having regard to the transaction as a whole) than those received by the Selling Shareholders.
- 8 6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless
- 8 6 1 all of the Called Shareholders and the Selling Shareholders agree otherwise, or
- 8 6 2 that date is less than 3 Business Days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice.
- 8 7 The rights of pre-emption set out in these articles shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served.
- 8 8 If any holder of Shares does not on completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by them the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares and to deliver such transfer(s) to the Third Party Purchaser (or as they may direct) and the directors shall forthwith register the Third Party Purchaser (or as they may direct) as the holder thereof. After the Third Party Purchaser (or

their nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this sub-article that no share certificate has been produced.

- 8.9 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by them to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member.

9. Members Meetings

- 9.1 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.
- 9.2 A resolution in writing executed by or on behalf of the holders of all the issued Shares shall be as valid and effectual as if the same had been duly passed at a general meeting 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 its Secretary or by its duly appointed attorney or duly authorised representative.
- 9.3 The chairman shall not have a casting vote at a meeting of the members.

10. Directors

- 10.1 The number of the directors may be fixed by the Company, but unless and until so fixed there shall be no maximum number and the minimum number shall be such number of directors as shall ensure any called meeting shall have a quorum in accordance with Article 10.2. Each Founding Shareholder (which, for these purposes, shall not include any Permitted Transferees, who shall not have a separate right to appoint a director) shall have a right to appoint a director, and to remove them by notice served upon the Company at its registered office (save in the case of David Piggin and Peter McEvoy who must appoint themselves as a director for so long as they are a Founding Shareholder). Upon a Founding Shareholder ceasing to be a member of the Company (save where that Founding Shareholder has

transferred all of his Shares to Permitted Transferees) the appointment of any director appointed by that Founding Shareholder shall immediately terminate without any liability on the Company for compensation for loss of office or otherwise

- 10 2 Unless otherwise agreed by the members, the quorum for the transaction of business at any meeting of the board of Directors shall be such numbers of directors as represent those Founder Shareholders holding (together with their Permitted Transferees) in aggregate not less than 75% of the issued share capital
- 10 3 The directors need not retire by rotation Regulations 73 to 78 of Table A are not adopted, and subject to the articles, Regulation 79 of Table A except the words "and shall not be taken into account in determining the directors who are to retire by rotation at the meeting" is adopted The Company may by ordinary resolution appoint a person who is willing to be a director either to fill a casual vacancy or as an additional director
- 10 4 Without prejudice to the first sentence of regulation 88 of Table A, 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 to speak to each of the others and to be heard by each of the others simultaneously Alternatively, such a meeting may take place by a telephone call A director taking part in such a conference or telephone call shall be deemed to be present in person at a meeting (whether or not two or more persons shall have been present in one place) and shall be entitled to vote and be counted in the quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group or if the meeting takes place by a telephone call, where the chairman of the directors or of the relevant committee then is The word "meeting" when referring to a meeting of the directors, or of a committee of the Directors, in these Articles shall be construed accordingly
- 10 5 A director may vote as a director in regard to any contract or arrangement in which that director is interested or upon any matter arising thereout provided always that such interest is first disclosed to the directors, and such vote shall be counted and such director shall be counted in the quorum present at the meeting when any such contract or arrangement is under consideration, and subject hereto Regulations 85 and 89 of Table A are adopted
- 10 6 The directors shall cause minutes to be made for the purposes of section 382 of the Act, which, together with all registers, records or other information statutorily or otherwise required to be registered or recorded by the Company, may be recorded in bound books or some other means as the directors may determine so long as the recording is capable of being

reproduced in legible form and adequate precautions are taken for guarding against falsification provided always that the directors need not sign their names for the purpose of recording their attendance at any meeting

- 10 7 Subject to the Act and whether or not in connection with any application under sections 144 or 727 of the Act or otherwise, every director or other officer of the Company shall be indemnified out of the assets of the Company against all losses and liabilities, and the directors and other officers shall not be liable for any loss, damage or misfortune which may happen to or be incurred for the Company in the execution of their duties to the Company, and the Company may purchase and maintain insurance against liability relating to the Company in respect of any negligence, default, breach of duty and breach of trust attaching to any officer or auditor of the Company for the time being Provided always that the directors shall state the existence of any such insurance in their report for each financial year, and subject hereto Regulation 118 of Table A is adopted
- 10 8 The chairman shall not have a casting vote at meetings of the directors and regulation 88 shall be amended accordingly

11. Distributions

Any dividends resolved to be recommended, declared or paid, any sum resolved to be capitalised and the assets of the Company to be divided on a winding up shall be paid or distributed, subject to the articles and the rights attaching to the shares, in proportion to the nominal amount of the shares (whether or not fully paid) held by the members entitled thereto PROVIDED ALWAYS THAT if any share is issued on terms that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly, and Regulation 104 of Table A is not adopted